

**Successor Agency to
Contra Costa County
Redevelopment
Agency**



**Department of
Conservation &
Development**

30 Muir Road
Martinez, CA 94553-4601

925-674-7878

Oversight Board

Wednesday, September 24, 2014 – 1:30 pm
Department of Conservation and Development
Zoning Administrator Meeting Room
30 Muir Road, Martinez, CA 94553

Bill Clark- CCC Superintendent of Schools
Garrett Evans, City of Pittsburg
Greg Enholm - Contra Costa Community College District
Federal Glover, Contra Costa County
Kristen Lackey, Contra Costa County - Former RDA Employee
William Lau, Contra Costa County-Member of the Public (Chair)
Karen Mitchoff, Contra Costa Fire Protection District

1. Call to Order/Roll Call/Pledge of Allegiance

2. Consent items

- a. Accept the record of the Meeting of February 26, 2013 *

All matters listed under Consent Items are considered by the Oversight Board to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Oversight Board or a member of the public prior to the time the Oversight Board votes on the motion to approve the Consent Items.

3. Public Comment (3 Minutes/speaker) for any topic NOT on the agenda and within the purview of the Oversight Board.

Time is allotted under Public Comment for those persons who wish to speak for up to three minutes on any item NOT on the agenda. Persons who wish to speak on matters on the agenda will be heard for up to three minutes when the Chair calls for comments. After persons have spoken on an agenda item, the hearing can be closed by the Chair and the matter is subject to discussion and action by the Oversight Board. Persons wishing to speak are requested to fill out a speaker card.

4. Staff Reports

- a. State Controller's Office Review of Assets Transfers of the Redevelopment Agency from January 1, 2011 to January 31, 2012 (County Loans to the Agency)
- b. ROPS 14-15A Meet and Confer and Final Determination
- c. Redevelopment Agency Dissolution Status
- d. Long-Range Property Management Plan Status

5. Items for Discussion and/or Action

- a. Adopt Resolution 2014-4 Approving the Recognized Obligation Payment Schedule for January – June 2015 (ROPS 14-15B)
- b. Adopt Resolution 2014-5 Approving the Administrative Budget for the period of January – June 2015

6. Future Agenda Items

- a. ROPS 15-16A and Administrative Budget (February 25, 2015)
- b. Resolutions Approving the Repayment of SERAF and Montalvin Manor Loans
- c. Modified Long-Range Property Management Plan

7. Adjourn to February 25, 2015 meeting

The Oversight Board will provide reasonable accommodations for persons with disabilities planning to attend the meeting who contact Trish Dominguez at least 72 hours before the meeting, at (925) 674-7723.

Materials distributed for the meeting are available for viewing at:

- Department of Conservation and Development, 30 Muir Road, Martinez, CA 94553
- Contra Costa County Website:
<http://ca-contracostacounty2.civicplus.com/4308/Contra-Costa-County-Oversight-Board>

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30 Muir Road
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Oversight Board

****Record of Meeting** DRAFT**

Wednesday, February 26, 2014 – 1:30 pm
Department of Conservation and Development
Zoning Administrator Meeting Room
30 Muir Road, Martinez, CA 94553

Bill Clark- CCC Superintendent of Schools
Garrett Evans, City of Pittsburg
Greg Enholm - Contra Costa Community College District
Federal Glover, Contra Costa County
Kristen Lackey, Contra Costa County - Former RDA Employee
William Lau, Contra Costa County-Member of the Public (Chair)
Karen Mitchoff, Contra Costa Fire Protection District

1. Call to Order/Roll Call/Pledge of Allegiance

Present: Garrett Evans, Kristen Lackey, Greg Enholm, and William Lau
Absent: Bill Clark, Karen Mitchoff, Federal Glover,

2. Consent items

- a. Accept the record of the Meeting of September 25, 2013 *
The record of meeting of September 25, 2013 was ACCEPTED.
M/S: Lackey/Evans 4-0 (Absent: Clark, Mitchoff, Glover)

3. Public Comment (3 Minutes/speaker) for any topic NOT on the agenda and within the purview of the Oversight Board. No Public Comments.

4. Staff Reports

Staff Reports were presented by Jason Crapo and Maureen Toms.

- a. State Controller's Office Review of Assets Transfers of the Redevelopment Agency from January 1, 2011 to January 31, 2012*
1. Housing Asset Transfer List
 2. Governmental Use Properties
 3. County Loans to the Agency

- b. Long Range Property Management Plan Department of Finance Review*
 - c. ROPS 13-14B Meet and Confer and Final Determination*
 - d. Redevelopment Agency Dissolution Status
5. Items for Discussion and/or Action
- a. Adopt Resolution 2014-1 Approving the Recognized Obligation Payment Schedule for July – December 2014 (ROPS 14-15A) *
ADOPTED Resolution 2014-1 approving the Recognized Obligation Payment Schedule for July- December 2014 (ROPS 14-15A) M/S: Lackey/Evans 4-0. Absent: Clark, Mitchoff, Glover
 - b. Adopt Resolution 2014-2 Approving the Administrative Budget for the period of July-December, 2014*
ADOPTED Resolution 2014-2 approving the Administrative Budget for the period of July-December, 2014. M/S: Lackey/Enholm 4-0. Absent: Clark, Mitchoff, Glover
6. Future Agenda Items
- a. ROPS 14-15B and Administrative Budget (September 24, 2014)
 - b. Resolutions Approving the Repayment of County Loans
7. Adjourn to September 24, 2014 meeting
ADJOURNED

The Oversight Board will provide reasonable accommodations for persons with disabilities planning to attend the meeting who contact Danielle Kelly at least 72 hours before the meeting, at (925) 674-7883.

Materials distributed for the meeting are available for viewing at:

- Department of Conservation and Development, 30 Muir Road, Martinez, CA 94553
- Successor Agency to the Contra Costa County Websites (<http://ccreach.org/>) and <http://www.cccounty.us/index.aspx?nid=3381>

*indicates staff report attached

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CONTRA COSTA COUNTY
DEPARTMENT OF CONSERVATION & DEVELOPMENT
30 Muir Road
Martinez, CA 94553
Telephone: (925) 674-7878

TO: Oversight Board

FROM: Maureen Toms, AICP, Successor Agency Program Manager

DATE: September 24, 2014

SUBJECT: Agenda Item 4a, State Controller's Office Review of Asset Transfer of
Redevelopment Agency after January 1, 2011 – January 31, 2012

In April and May of 2013, pursuant to Health and Safety Code section 34167.5, the State Controller's Office (SCO) reviewed the County Redevelopment Agency (RDA) asset transfers that occurred between January 1, 2011 and January 31, 2012, for the purposes of determining the RDA's compliance with the California *Health and Safety Code* and applicable rules and regulations. The Asset Transfer Review Report, dated November 2013 (Attachment A), identified three findings of unallowable transfers of assets totaling \$21,924,471 (\$5,482,124 to the County and \$16,442,347 to the Housing Authority. The SCO's reference to the Housing Authority should be the Housing Successor. The unallowable transfers include the following three areas:

1. Housing Asset Transfer List
2. Public Use Properties
3. Repayment of Loans

The actions of the Oversight Board taken on September 25, 2013 addressed two of three findings. On January 8, 2014, the Department of Finance approved Resolution 2013-7 (Housing Asset Transfer List) Resolution 2013-8, (Public Use Properties), thus addressing two of the findings of the SCO.

The Successor Agency continues to protest the third finding related to the repayment of loans. SCO states that the Redevelopment Agency's repayment of \$5,272,703 in loans, prior to the dissolution of the RDA, required Oversight Board approval. The Successor Agency sent a letter to the State Controller's Office (Attachment A) on February 14, 2014 protesting this finding. To date, there has been neither a response to the letter, nor a final notice to reverse the pre-payment. If the County is compelled to reverse the loan repayment, the debt will be added to future ROPS and repaid incrementally over a period of time.

**Department of
Conservation and
Development**

30 Muir Road
Martinez, CA 94553

Phone: 1-855-323-2626

**Contra
Costa
County**



Catherine Kutsuris
Director

Aruna Bhat
Deputy Director

Jason Crapo
Deputy Director

John Kopchik
Deputy Director

February 18, 2014

Jeffrey V. Brownfield, CPA
Chief, Division of Audits
State Controller's Office
P.O. Box 942850
Sacramento, CA 94250-5874

Re: Contra Costa County Successor Agency Response to Final Asset Transfer Review Report.

Dear Mr. Brownfield:

The Contra Costa County Successor Agency (the "Successor Agency"), successor in interest to the dissolved Contra Costa County Redevelopment Agency (the "Dissolved RDA"), is in receipt of the "Final Contra Costa County Redevelopment Agency Asset Transfer Review Report", which the Successor Agency received November 07, 2013, prepared by the State Controller's Office (the "SCO") in connection with the requirements set forth in Health and Safety Code Section 34167.5 (the "Final Report").

In the letter transmitting the Final Report, the SCO asserts that the Dissolved RDA made a total of \$21,924,471 of unallowable transfers (\$5,482,124 to the County and \$16,442,347 to the Housing Authority of the County of Contra Costa). The Successor Agency is submitting this letter as the Successor Agency's official protest to specified findings in the Final Report and hereby requests that the Final Report be amended to correct the inaccuracies and errors described below.

I. SUMMARY OF DISPUTED ASSETS

Under Health and Safety Code Section 34167.5, the SCO is required to review the activities of the Dissolved RDA to determine whether an asset "transfer" occurred after January 1, 2011 between the Dissolved RDA and the County of Contra Costa (the "County"). Under the requirements of Section 34167.5, if such an asset transfer did occur during that period and the County is not contractually committed to a third party for the expenditure or encumbrance of those assets, to the extent not prohibited by state and federal law, the SCO may order the available assets to be returned to the Successor Agency.

In the Final Report the SCO continues to asserts that the Dissolved RDA made "unallowable transfers of assets totaling \$21,924,471" and orders such assets returned to the Successor Agency. Specifically, the SCO questioned the following transactions:

- \$209,421 of capital assets conveyed to the County consisting of the Rodeo Senior Center (\$121,543) and the North Richmond Health Center (\$87,878) (collectively the "Public Use Parcels");
- \$16,442,347 of housing assets transferred to the County¹ as the housing successor of the Dissolved RDA pursuant to Health and Safety Code Section 34176 consisting of land valued at \$8,770,712, a deposit of \$250,000 for an acquisition of property pursuant to an enforceable obligation, and \$7,421,635 in loan receivables (collectively, the "Housing Assets"); and
- \$5,272,703 in cash payments on various long-term debts owed by the Dissolved RDA to the County (the "Loan Repayments").

For the reasons explained in Section II of this Letter, the Successor Agency strongly disagrees with the SCO's determinations and contests the SCO's order requiring that the Public Use Parcels, the Loan Repayments , and the Housing Assets be returned to the Successor Agency.

II. BACKGROUND AND JUSTIFICATION

A. Public Use Properties. On March 1, 2011, the Dissolved RDA transferred the Public Use Parcels to the County, pursuant to and in accordance with duly authorized resolutions of both the County Board of Supervisors and the governing board of the Dissolved RDA, and prior to the adoption of any legislation making such transfers invalid. Because the County is the public jurisdiction generally responsible for the ownership, operation, and maintenance of County public facilities in the unincorporated County, the County is the appropriate public jurisdiction for the ultimate disposition of the Public Use Parcels.

As noted in the Final Report, the Successor Agency's Oversight Board approved Resolution No. 2013-8, approving and ratifying the transfer of the Public Use Parcels to the County pursuant to Health and Safety Code Sections 34177(e), 34181(a), and 34191.3 which authorize the Oversight Board to direct and approve disposition assets and properties used for governmental purposes. On January 8, 2014, the Department of Finance (the "DOF") issued a determination letter approving the transfer of the Public Use Parcels to the County (the "Determination Letter"). A copy of the Determination Letter is attached hereto as Attachment 1. The Oversight Board's

¹ The Final Report inaccurately states that the Housing Assets were transferred to the Contra Costa County Housing Authority. The County Housing Authority has not received any Housing Assets and is not the entity elected to retain the housing assets and function of the Dissolved RDA.

ratification of the transfer of the Public Use Parcels to the County, and the DOF's approval thereof, negates the need for the Public Use Parcels to be transferred back to the Successor Agency. The Successor Agency respectfully requests that the SCO's Final Report be amended to remove any objection to the transfer of the Public Use Properties.

B. Housing Asset Transfers. In the Final Report, the SCO asserts that \$16,442,347 of Housing Assets were improperly transferred by the Dissolved RDA to the Contra Costa County Housing Authority, a statement that is patently incorrect. The Dissolved RDA made no transfers to the County's Housing Authority. The Successor Agency and the County, in good faith, and in accordance with the requirements of Health and Safety Code Section 34176(a)(1) and 34176(e)(2), transferred the Housing Assets to the County.

Under Health and Safety Code Section 34176(a)(1), "If a city, county, or city and county ***elects to retain*** the authority to perform housing functions previously performed by a redevelopment agency, ***all rights, powers, duties, obligations, and housing assets***, as defined in subdivision (e), excluding any amounts on deposit in the Low and Moderate Income Housing Fund and enforceable obligations retained by the successor agency, ***shall be transferred*** to the city, county, or city and county. [***emphasis added***]"

Because the County elected to ***retain*** the authority to perform housing functions previously performed by the Dissolved RDA, all rights, powers, duties, obligations, ***and housing assets*** transferred to County by operation of law, making the County the appropriate entity for the ultimate disposition of the Housing Assets. The County's receipt of the Housing Assets was not discretionary, but rather, was required by law.

In the Final Report, the SCO cites Health and Safety Code Section 34175(b) and asserts that all assets of the Dissolved RDA, including the Housing Assets, were required to be transferred to the Successor Agency. The SCO's interpretation of 34175(b) is erroneous and leads to the illusion that the Dissolved RDA inappropriately transferred the Housing Assets to the County, when in fact such a transfer was the intended and logical result of the application of Health and Safety Code Section 34176. The County and the Successor Agency take exception to the SCO's misapplication of the statutes.

In the recently released ruling in the case *City of Fresno v. State of California, Sacramento Superior Court Case No. 34-2013-80001450-CU-WM-GDS*, the Court ruled that the SCO lacks the statutory authority to order the reversal of transfers of housing assets which were transferred in the manner prescribed in Health and Safety Code Section 34176. A copy of the ruling is attached hereto as Attachment 2. Like in the *City of Fresno* litigation, the Housing Assets were transferred to the County in compliance with Health and Safety Code Section 34176, making the SCO's order with regards to the Housing Assets unnecessary and improper. The Successor Agency request that the finding be removed from the SCO's Final Report.

The Court's finding in the *City of Fresno* establishes that the SCO does not have the authority to order the return of the Housing Assets in the Final Report. Nonetheless, as required under Health and Safety Code Section 34176(e)(2), on August 3, 2012, the County submitted the draft housing asset transfer list (the "Draft Housing Asset List") to the DOF. The Draft Housing Asset List specifically enumerated all the "Housing Assets" of the Dissolved RDA which transferred by operation of law to County as "the entity assuming the housing functions of the Dissolved RDA. The County received a letter from the DOF, dated February 6, 2013, approving all housing assets listed on the Draft Housing Asset List, except for Item 2 on Exhibit C-1 and Items 1-8 on Exhibit C-2 thereof, (hereinafter referred to as the "Final Housing Asset List".) Despite the Successor Agency's understanding and belief that the Housing Assets transferred by operation of law on February 1, 2012; the Oversight Board adopted Resolution No. 2013-7 approving and ratifying the transfer of the Housing Assets to the County in accordance with Health and Safety Code Sections 34181(c) and approving an amended Final Housing Asset List. The Determination Letter, issued January 8, 2014, ratified the transfer of the Housing Assets to the County. The Oversight Board's ratification of the transfer of the Housing Assets, and the DOF's approval thereof, negates the need for the Housing Assets to be transferred back to the Successor Agency and makes the SCO's findings with regards to the transfer of the Housing Assets moot.

Because of the ruling in the *City of Fresno* litigation and the additional actions and approvals described above, the County and the Successor Agency request that the SCO revise the Final Report to correct the factual inaccuracy that the Housing Assets were transferred to the County Housing Authority and request that that the Final Report reflect that the Housing Assets were appropriately transferred to the County, the entity assuming the housing functions and obligations under Health and Safety Code Section 34176(a)(1).

C. Loan Repayments. On January 27, 2012, the Dissolved RDA made payments on various long-term debts owed by the Dissolved RDA to the County in the approximate amount of \$5,272,703. The Loan Repayments were owed by the Dissolved RDA to the County for various redevelopment project costs advanced by the County to the Dissolved RDA commencing as early as 1998.

In the Final Report, the SCO asserts that "an enforceable obligation does not include agreements, contracts, or arrangements between the city, county, or city and county entered after the first two years of the creation of the RDA." The Final Report ignores the fact that at the time the repayments were made, Section 34171(d)(2), the section being asserted by the SCO was not applicable and the contracts were valid and binding on the parties through the Dissolution Date. The County and Successor Agency are aware of at least three cases in which the Sacramento Superior Court has upheld the validity of repayments made by a redevelopment agency to its sponsoring community if the repayment was made prior to the dissolution of a redevelopment agency under a valid contract with its sponsoring community. The County and the Successor

Agency respectfully requests that the SCO remove its finding with regards to the Loan Repayments.

III. CONCLUSION

The Successor Agency is submitting this letter as the Successor Agency's official protest to specified findings in the Final Report and hereby request that the Final Report be amended to correct the inaccuracies and errors described above. While the County and the Successor Agency understand that no additional procedural steps are afforded in statute to discuss the contents of this letter, the County and the Successor Agency would welcome the opportunity to discuss the issues raised in this letter. Thank you in advance for your assistance in this matter.

Sincerely,



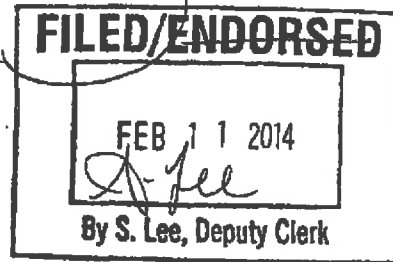
Jason Crapo, Deputy Director

Attachments:

1. *City of Fresno* Ruling
2. DOF Determination Letter

cc:

Richard J. Chivaro, Chief Legal Counsel
Steven Mar, Bureau Chief
Betty Moya, Audit Manager
Cecilia Michaels, Auditor-in-Charge
Daniel Tobia, Auditor



SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO

CITY OF FRESNO; SUCCESSOR
AGENCY TO THE
REDEVELOPMENT AGENCY OF
THE CITY OF FRESNO,

Plaintiffs and Petitioners,

v.

STATE OF CALIFORNIA; ANA J.
MATOSANTOS, in her official capacity
as Director of the State of California
Department of Finance, JOHN
CHIANG, in his official capacity as
Controller of the State of California;
VICKI CROW, in her official capacity
as Auditor-Controller of the County of
Fresno,

Defendants and Respondents.

Case No. 34-2013-80001450-CU-WM-GDS

**RULING ON SUBMITTED MATTER:
PETITION FOR WRIT OF MANDATE
AND COMPLAINT FOR DECLARATORY
AND INJUNCTIVE RELIEF**

Introduction

The long and complicated process of winding down the activities of redevelopment agencies continues. In this case, which involves a petition for writ of mandate under Code of Civil Procedure section 1085 and claims for declaratory and injunctive relief, the City of Fresno and the Successor Agency to the former Redevelopment Agency of the City of Fresno ("petitioners") challenge several administrative

1 orders and determinations made by respondents State Controller and Department of Finance ("DOF").¹

2 The order and determinations at issue here are the following:

- 3 1. An Order of the State Controller dated March 14, 2013, directing the City to return
4 housing assets, including cash, that had been transferred to the City as the designated
5 housing successor to the former Redevelopment Agency.
- 6 2. Two related determinations by DOF dated January 11, 2013 and June 27, 2013. The
7 first determination found that a balance of \$168,534 in the Successor Agency's Low
8 and Moderate Income Housing Fund ("LMIHF") was available for transfer to taxing
9 entities. The second determination found that a balance of \$4,933, 178 in the Successor
10 Agency's Other Funds and Accounts was available for transfer to taxing entities. The
11 two determinations addressed cash housing assets previously transferred to the City as
12 the designated housing successor to the former Redevelopment Agency, and effectively
13 directed the City and the Successor Agency to accomplish the transfer of the cash
14 (totaling \$5,101,712) to the Successor Agency.
- 15 3. A determination by DOF dated June 27, 2013 that an account receivable payable from
16 Utility Trailer Sales ("UTS") to the former Redevelopment Agency is to be considered
17 payable on demand and therefore is considered "cash" or a "cash equivalent" for
18 purposes of the Due Diligence Review.
- 19 4. A determination by DOF dated March 19, 2013 that a payment to the City under an
20 agreement entered into between the City and the former Redevelopment Agency in
21 2000, referred to in this ruling as the "Downtown Stadium Agreement", is not an
22 enforceable obligation that may be paid with funds from the Redevelopment Property
23 Tax Trust Fund ("RPTTF").
24

25 The Court heard oral argument on Friday, January 10, 2014. At the close of the hearing, the Court
26 took the matter under submission for issuance of a written ruling. Having considered the oral and written

27 ¹ Respondent Vicki Crow, the Fresno County Auditor-Controller, filed an answer to the petition but filed no briefing
28 on the merits and has not taken an active role in the case.

1 arguments submitted by the parties, as well as the documentary evidence, the Court now issues its final
2 ruling.

3 Standard of Review

4 Petitioners seek a writ of mandate pursuant to Code of Civil Procedure section 1085 to review the
5 administrative orders and determinations of respondents State Controller and DOF, described above, under
6 the redevelopment dissolution laws. In ordinary mandamus actions the Court applies an abuse of
7 discretion standard, reviewing the challenged administrative decision to determine if it was arbitrary,
8 capricious, or entirely lacking in evidentiary support, or whether the agency failed to follow the procedure
9 and give the notices the law requires. (*Shelden v. Marin County Employees' Retirement Association*.
10 (2010) 189 Cal.App.4th 458, 463; see also, *Ridgecrest Charter School v. Sierra Sands Unified School*
11 *District* (2005) 130 Cal.App.4th 986, 1003.)

12 The Court's review necessarily extends to the question of whether the respondents properly
13 applied the law. Issues involving the agency's interpretation of statutes raise questions of law, upon which
14 the Court exercises its independent judgment. (*California Correctional Peace Officers' Association v.*
15 *State of California* (2010) 181 Cal.App.4th 1454, 1460.)

16 Under well-established principles of law, there is a presumption that the agency's action was valid,
17 and petitioners have the burden of demonstrating that it was not. (See, e.g., *MCM Construction, Inc. v.*
18 *City and County of San Francisco* (1998) 66 Cal. App. 4th 359, 368.)

19 In this case, because declaratory and injunctive relief are essentially ancillary remedies to issuance
20 of a writ of mandate, the standard of review to be applied by the Court is identical.

21 This proceeding arises out of an administrative determination that did not involve an evidentiary
22 hearing or other formal fact-finding procedure. The Court therefore must find the relevant facts based on
23 the evidence submitted by the parties.² Because this case involves several separate administrative actions,
24 the Court will set forth its determination of the relevant facts for each of those actions, based on the
25

26
27 ² No formal administrative record has been lodged with the Court. All evidence has been presented through
28 declarations or requests for judicial notice. Petitioner's request for judicial notice filed on December 20, 2013,
including Exhibits 32-35, is granted. Respondents have not objected to the request.

1 preponderance of the evidence, under separate headings below.

2 State Controller's Order

3 Facts:

4 The Court finds that the following are the facts relevant to petitioners' challenge to the State
5 Controller's Order.

6 On January 26, 2012, the Fresno City Council adopted Resolution 2012-12 in order to address the
7 imminent dissolution of the Redevelopment Agency of the City of Fresno. The Resolution provided that
8 the City elected to serve as the Successor Agency to the Redevelopment Agency. The Resolution further
9 provided that the City elected "...to assume all rights, powers, assets, liabilities, duties and obligations
10 associated with the housing activities of the Agency in accordance with Health and Safety Code section
11 34176". The City thus elected to serve as the Successor Agency to the former Redevelopment Agency,
12 and to act as the successor to the former Redevelopment Agency for housing purposes. The City's Mayor
13 approved the Resolution on January 30, 2012, and the Resolution became effective on that date.³

14
15 On February 1, 2012, the Redevelopment Agency was dissolved by operation of law as provided
16 in the redevelopment dissolution laws and the Supreme Court's decision in *California Redevelopment*
17 *Association v. Matosantos* (2011) 53 Cal. 4th 231.

18 On the same date, the Successor Agency transferred the former Redevelopment Agency's
19 housing-related assets to the City, acting as the housing successor. The assets were placed in the City's
20 new Low and Moderate Income Housing Fund.⁴

21 The assets transferred included \$17,880,383 in cash, \$12,906,497 in receivables and advances, and
22 \$10,682,955 in property held for resale, for a total of \$41,469,835.⁵

23 At the time of this transfer, the Oversight Board for the Successor Agency had not yet held its first
24

25 ³ See, Index to Petitioners' and Plaintiffs' Documentary Evidence ("Evidence"), Exhibit 29.

26 ⁴ See, Declaration of Debra Barletta, Financial Officer of the Successor Agency to the Redevelopment Agency of the
27 City of Fresno, paragraph 3.

28 ⁵ See, Evidence, Exhibit 29: City of Fresno Redevelopment Agency Asset Transfer Review prepared by the State
Controller's Office, dated March 2013.

1 meeting, which took place on April 30, 2012.⁶

2 On March 14, 2013, the State Controller issued a report reviewing all asset transfers made from
3 the City of Fresno Redevelopment Agency to the City of Fresno after January 1, 2011. The report found
4 that the Redevelopment Agency had made unallowable transfers of assets totaling \$41,469,835, i.e., all of
5 the cash, receivables and advances and property held for resale that had been transferred to the City's Low
6 and Moderate Income Housing Fund, as described above. The basis of this finding was the State
7 Controller's legal conclusion that Health and Safety Code section 34181(c) required the Oversight Board
8 to direct the Successor Agency to "[t]ransfer housing responsibilities and all rights, powers, duties and
9 obligations...to the appropriate entity pursuant to Section 34176", and that until a transfer of the assets to
10 the Successor Agency was made, the Oversight Board was denied the opportunity to take such action. In
11 essence, the State Controller found that a direct transfer of the housing assets from the Successor Agency
12 or the Redevelopment Agency to the City as housing successor agency was improper. The State
13 Controller ordered the City, acting as the Successor Housing Agency, to reverse the transfer of those assets
14 and return them to the Successor Agency.⁷

15
16 **Analysis:**

17 The State Controller makes no attempt to defend its order in this proceeding. Instead, it claims
18 that the order is moot. The Court is not persuaded. As petitioners argue, the continued existence of the
19 order constitutes a cloud on the title of real property housing assets and may inhibit the use of any of the
20 housing assets, real property or otherwise, for their intended purposes. The Court therefore finds it
21 necessary and appropriate to address the issue of whether the order is valid.

22 The Court finds that it is not. The State Controller's authority to review asset transfers from a
23 successor agency to a city occurring after January 31, 2012 arises out of Health and Safety Code section
24 34178.8. The statute specifically provides, however, that "[t]his section shall not apply to housing assets
25 as defined in subdivision (e) of Section 34176." It is undisputed for the purposes of reviewing the State
26

27 ⁶ See, Declaration of Marlene Murphey, Executive Director of the Successor Agency to the Redevelopment Agency
of the City of Fresno, paragraph 19.

28 ⁷ See, Evidence, Exhibit 19: Finding and Order of the Controller, pages 4-5.

1 Controller's order that all of the assets covered by the order are housing assets of the former
2 Redevelopment Agency. The State Controller therefore lacked the authority to make the order.

3 Furthermore, the order is based on the theory that the Oversight Board has the authority, and the
4 right, to direct or approve the transfer of the former Redevelopment Agency's housing assets to the agency
5 acting as the housing successor, and that any transfer done without such direction or approval is invalid.
6 This theory is untenable because Health and Safety Code section 34176(a)(1) specifically provides that if a
7 city that created a redevelopment agency elects to retain the authority to perform housing functions
8 previously performed by the agency, "...all rights, powers, duties, obligations, and housing assets... shall
9 be transferred to the city". (Emphasis added.) Furthermore, Health and Safety Code section 34177(g)
10 specifically requires a successor agency to "[e]ffectuate the transfer of housing funds and assets to the
11 appropriate entity designated pursuant to Section 34176." Indeed, the provision of law cited in the State
12 Controller's order, Health and Safety Code section 34181(c), only gives the Oversight Board the authority
13 to direct the Successor Agency to "[t]ransfer housing assets pursuant to Section 34176", i.e., to the
14 designated housing successor.
15

16 Clearly, where a city elects to act as the housing successor, as occurred here, the law requires all
17 housing assets to be transferred to the city. Thus, even if the Oversight Board had been in existence and
18 active at the time of the transfer in this case, which it was not, it would have had no discretion or authority
19 to direct the transfer of housing assets to any other entity. An order directing that asset transfers required
20 by law be reversed so that the Oversight Board may simply order the assets transferred back to the City
21 serves no legitimate purpose.

22 The State Controller did not have authority to make the challenged order, which involved housing
23 assets. Also, because the housing assets in this case were properly transferred to the City as required by
24 Section 34176, the State Controller's order reversing the transfer was unnecessary and improper. The
25 State Controller's order therefore was not made in compliance with law, and was not supported by any
26 evidence. The Court grants the petition for writ of mandate and finds that petitioners are entitled to
27 declaratory and injunctive relief on this issue. The Court finds and declares that the State Controller's
28

1 order dated March 14, 2013 is invalid, and will issue a writ directing the State Controller to rescind the
2 order, and an injunction directing the State Controller not to enforce it.

3 **Department of Finance Orders Regarding Cash Housing Assets**

4 **Facts:**

5 The Court finds that the following are the facts relevant to petitioners' challenge to DOF's orders
6 regarding cash housing assets.

7 As stated above, on February 1, 2012, the Successor Agency transferred the former
8 Redevelopment Agency's housing-related assets to the City's new Low and Moderate Income Housing
9 Fund.⁸

10 The assets transferred included \$17,880,383 in cash, \$12,906,497 in receivables and advances, and
11 \$10,682,955 in property held for resale, for a total of \$41,469,835.⁹

12 On July 31, 2012, petitioners prepared and submitted to respondent DOF a Housing Assets
13 Transfer list as required by Health and Safety Code section 34176(a)(2), showing all assets transferred to
14 the City in its role as the entity assuming the housing functions of the former Redevelopment Agency.¹⁰

15 Pursuant to Health and Safety Code section 34176(a)(2), respondent DOF had up to 30 days from
16 the date of receipt of the list to object to any of the assets or transfers of assets identified on the list. On
17 August 31, 2012 respondent DOF issued a letter setting forth the results of its review of petitioners'
18 Housing Assets Transfer list. "Based on a sample of line items reviewed and the application of law",
19 respondent DOF objected to one item, a consultant service contract executed on September 22, 2011.
20 Respondent DOF did not object to any other items on the list.¹¹ DOF therefore did not object to any of the
21 cash transfers.

22 Respondent DOF subsequently conducted a Due Diligence Review of the Successor Agency's
23

24
25 ⁸ See, Declaration of Debra Barletta, Financial Officer of the Successor Agency to the Redevelopment Agency of the
City of Fresno, paragraph 3.

26 ⁹ See, Evidence, Exhibit 29: City of Fresno Redevelopment Agency Asset Transfer Review prepared by the State
Controller's Office, dated March 2013.

27 ¹⁰ See, Evidence, Exhibit 11.

28 ¹¹ See, Evidence, Exhibit 12.

1 Low and Moderate Income Housing Fund, and a separate Due Diligence Review of the Successor
2 Agency's Other Funds and Accounts, according to the process set forth in Health and Safety Code section
3 34179.6(c). The purpose of the Due Diligence Review was to determine the amount of cash available for
4 transfer from the Successor Agencies to the County Auditor-Controller for distribution to other taxing
5 entities.

6 On January 11, 2013, respondent DOF issued a letter setting forth its determination in the Low
7 and Moderate Income Housing Fund review. The letter stated DOF's conclusion that "...the amount of
8 available cash in the LMIHF was \$312,704 as of January 31, 2012. [¶] The full \$312,704 was transferred
9 to the Housing Successor on February 1, 2012. However, the Recognized Obligation Payment Schedules
10 for the January 1, 2012 through June 30, 2013 periods only identified \$144,170 in expenditures to be
11 funded by the LMIHF. Therefore, Finance is adjusting the June 30, 2012 cash balance by only \$168,534
12 (\$312,704 - \$144,170). [¶] The Agency's LMIHF balance available for distribution to the affected taxing
13 entities has been revised to \$168,534."¹²

14
15 On June 27, 2013, respondent DOF issued a letter setting forth its determination in the Other
16 Funds and Accounts review. The letter stated:

17 "Cash transfers totaling \$17,567,681 to the City of Fresno Housing Successor were initially
18 disallowed. Per HSC section 34176(a)(1), assets approved by Finance as an inclusion on the Housing
19 Asset Transfer Form excludes any amounts on deposit in the Low and Moderate Income Housing Fund, or
20 other Agency Funds. During the Meet and Confer process, it was determined that \$7,975,191 has already
21 been expended with approval from Finance and another \$4,659,312 has been approved for expenditure
22 during the January through June 2013 and July through December 2013 periods. Therefore, Finance is
23 reversing \$12,634,503 (\$7,975,191 + \$4,659,312) of the adjustment and increasing the [Other Funds and
24 Accounts] balance available by \$4,933,178 (\$17,567,681 - \$12,634,503). [¶] Additional funding needed
25 for the remaining balances of the commitments and the Agency's direct project costs should be requested
26 in future Recognized Obligation Payment Schedule (ROPS) on separate line items to be paid out of the
27

28 ¹² See, Evidence, Exhibit 15.

1 Redevelopment Property Tax Trust Fund (RPTTF).” In a chart entitled “OFA Balances Available for
2 Distribution to Taxing Entities”, the letter identified the amount of \$4,933,178 as “Disallowed transfers”.¹³

3 Analysis:

4 In essence, DOF’s determinations addressed a portion of the \$17,880,497 in cash housing assets
5 that previously had been transferred to the City, as the designated housing successor to the former
6 Redevelopment Agency, on February 1, 2012. DOF’s two determinations amounted to a directive to
7 return to the Successor Agency a portion of the amount previously transferred (totaling \$5,101,732) on the
8 ground that such amount was not presently needed to pay for enforceable housing obligations.

9 The Court finds that DOF exceeded its authority in making these two determinations. DOF
10 previously had determined that all of the \$17,880,497 in cash transferred to the City as housing successor
11 represented housing assets. This necessarily represented a determination that the cash, as a housing asset,
12 was encumbered by one or more enforceable housing obligations. Once DOF made that determination, it
13 was precluded from making a contrary determination in the Due Diligence Review process.

14 Health and Safety Code section 34176 governs the treatment of housing assets of the former
15 redevelopment agency. As described above, subsection (a)(1) of the statute provides that a city may elect
16 to retain the housing assets and functions previously performed by its redevelopment agency. If it does so,
17 as occurred here, the statute provides that the assets shall be transferred to the city. Subsection (a)(2) then
18 requires the housing successor (in this case, the City) to submit a list of housing assets that have been
19 transferred, along with an explanation of how the assets meet the definition of “housing asset” contained in
20 subdivision (e) of the statute. Subdivision (e) defines “housing assets” as including “any funds
21 encumbered by an enforceable obligation to build or acquire low- and moderate-income housing”.
22 Subsection (a)(2) gives DOF up to 30 days to raise any objection to the list, and if a transferred asset is
23 deemed not to be a housing asset as defined in subdivision (e), it shall be returned to the successor agency.

24 Under these provisions of law, DOF has specific statutory authority to review transfers of housing
25 assets to the housing successor and to disapprove any transfer that does not involve a legitimate housing
26

27
28 ¹³ See, Evidence, Exhibit 18.

1 asset as defined in the statute. In conducting that review, DOF necessarily must determine whether a
2 transferred asset is a "housing asset" within the meaning of Health and Safety Code section 34176(e), i.e.,
3 DOF must determine whether the housing asset is encumbered by an enforceable obligation.

4 In this case, DOF exercised its statutory review authority. It issued a determination on August 31,
5 2012 that raised no objection to the transfer of any of the cash to the City. In making that determination,
6 DOF necessarily found that the cash transferred to the City represented a "housing asset" within the
7 meaning of Health and Safety Code section 34176(e), and thus found that all of the cash represented funds
8 encumbered by an enforceable obligation to build or acquire low- and moderate-income housing.¹⁴

9 Moreover, DOF's June 27, 2013 determination recognized that it previously had approved the
10 spending of \$4,659,312 of the cash housing assets through the ROPS process, which required a finding
11 that the expenses were for enforceable obligations.¹⁵ That determination also recognized that "remaining
12 balances of the commitments and the Agency's direct project costs" would be expended in the future.
13 Thus, DOF implicitly conceded that virtually all of the cash housing assets were needed for enforceable
14 obligations.

15 In this proceeding, DOF has offered no evidence to show that the transferred funds were not
16 encumbered by one or more enforceable housing obligations. Nor did DOF ever withdraw or modify its
17 August 31, 2012 determination. The Court notes that Health and Safety Code section 34179.6(d), which
18 sets forth DOF's authority in the Due Diligence Review Process, does not explicitly state that DOF may
19 issue an order that effectively reverses previously-approved transfers of encumbered cash assets to the
20 housing successor. The Court accordingly concludes that DOF's August 31, 2012 determination
21 approving transfer of cash housing assets to the City was final and binding and could not be reversed, in
22

23
24 ¹⁴ Schedule C of the Housing Assets List, which lists nine separate types of housing built or acquired with
25 enforceably obligated funds and states the amounts owed as enforceable obligations on each type, is evidence that
26 supports DOF's August 31, 2012 determination approving the transfer of the cash to the City. (See, Evidence,
27 Exhibit 11.)

28 ¹⁵ In passing, petitioners argue that the City, acting as housing successor, was not legally required to obtain DOF's
approval for expenditures for housing purposes through the ROPS process, and state that such expenditures were
listed in the ROPS under protest. The issue of whether the City was required to submit a ROPS for housing
expenditures is not before the Court and is not material to the Court's ruling in this matter. The Court accordingly
does not address that issue in this ruling.

1 whole or in part, through a contradictory determination in the Due Diligence Review process.

2 The Court therefore grants the petition for writ of mandate and finds that petitioners are entitled to
3 declaratory and injunctive relief on this issue. The Court finds and declares that DOF's January 11, 2013
4 and June 27, 2013 determinations that cash housing assets in the possession of the City as housing
5 successor represent unencumbered assets available for distribution to taxing entities are invalid, in that
6 those determinations exceeded its authority under the law and are not supported by the evidence. The
7 Court will issue a writ directing DOF to vacate those determinations, and an injunction directing DOF not
8 to take any action to enforce them.

9 **UTS Receivable**

10 **Facts:**

11 The Court finds that the following are the facts relevant to petitioners' challenge to DOF's
12 determination regarding the UTS receivable.

13 In July 2008, UTS executed a Drainage Facility Development Agreement with the Fresno
14 Metropolitan Flood Control District, in which the District agreed to reimburse UTS for certain costs
15 incurred by UTS for construction of a public storm drain. The District agreed to reimburse UTS from
16 future drainage fees received by the District from the local drainage area served by the drain.¹⁶

17 On or about March 17, 2010, the Redevelopment Agency of the City of Fresno agreed to advance
18 \$58,970.00 to UTS to cover "the amount of monies Utility Trailer Sales paid in excess of storm drain fees
19 to construct a storm drain on East Avenue". UTS and the Redevelopment Agency agreed that the latter
20 would be reimbursed by the District. The parties memorialized this agreement on the face of a UTS
21 invoice, and the Redevelopment Agency paid \$58,970.00 to UTS.¹⁷

22 The former Redevelopment Agency recorded the disbursement to UTS as a receivable from the
23 District.¹⁸

24 On May 7, 2013, the Successor Agency, the District and UTS executed an Agreement of Excess

25
26 ¹⁶ See, Evidence, Exhibit 27.

27 ¹⁷ *Id.*

28 ¹⁸ See, Declaration of Debra Barletta, paragraph 7.

1 Credit Reimbursement under which UTS, with the District's agreement, assigned excess credit
2 reimbursement payments to the Successor Agency in the amount of \$46,485.00.¹⁹

3 On June 27, 2013, DOF issued a letter setting forth its determination based on the Other Funds and
4 Accounts Due Diligence Review. The letter addressed the UTS receivable as follows:

5 "Based on the documentation provided for the East Avenue Improvements project, an advance
6 receivable in the amount of \$58,970...is not evidenced with a contract. Pursuant to the Drainage Facility
7 Development Agreement dated July 8, 2008 between the Fresno Metropolitan Flood Control District
8 (District) and Utility Trailer Sales (Developer), the District was to reimburse the Developer for costs in
9 excess of the drainage fee obligation. However, on an invoice dated March 17, 2010, the former
10 Redevelopment Agency (RDA) agreed to reimburse the Developer \$58,970 on behalf of the District and
11 the former RDA would be reimbursed by the District. The former RDA had agreed to make the payment
12 to the Developer as part of the Memorandum of Understanding between the former RDA and the
13 Developer dated April 15, 2008. The only agreement between the Agency and the District is the
14 Assignment of Excess Credit Reimbursement Agreement dated May 7, 2013; however, the Agency no
15 longer has the authority to enter into agreements. Without a valid contract or repayment schedule with the
16 District, this loan is considered payable on demand from the District and should be included as part of the
17 June 30, 2012 balance. Per HSC section 34179.5(b)(1), 'cash' and 'cash equivalents' include payables on
18 demand. As such, the [Other Funds and Accounts] available for distribution to the taxing entities will be
19 increased by \$58,970."²⁰

21 **Analysis:**

22 Health and Safety Code section 34171.5(b)(1) provides, as DOF stated, that "payables on
23 demand" are considered to be cash or cash equivalents for purposes of the Due Diligence Review. In this
24 case, however, there is no evidence to support the conclusion that the UTS receivable represented a
25

26 ¹⁹ See, Evidence, Exhibit 28. It is not clear why this amount differs from the amount stated in the 2010 invoice. The
27 parties do not address the discrepancy. The Court accordingly concludes that the discrepancy is not material to its
analysis of this issue.

28 ²⁰ See, Evidence, Exhibit 18.

1 "payable on demand". Instead, all the evidence before the Court demonstrates that the UTS receivable
2 represented a three-party agreement between the Redevelopment Agency, the District and UTS that
3 contemplated a future payment to be made upon the fulfillment of certain contingencies.

4 Specifically, the agreement provided that the District would reimburse excess drainage costs from
5 fees the District would receive in the future, and that the reimbursement would go to the Redevelopment
6 Agency rather than to UTS when the District received such fee payments. The District thus did not agree
7 to make payment on demand, and the Redevelopment Agency did not have the right to demand payment
8 until the District actually received fees. There is no evidence that the District has received the fee
9 payments, which would make the obligation currently due. Thus, the evidence regarding the agreement
10 does not support DOF's conclusion that the receivable is a "payable on demand". DOF's determination
11 that the receivable should be treated as cash or a cash equivalent for purposes of the Due Diligence Review
12 therefore cannot be upheld.

13
14 The Court accordingly grants the petition for writ of mandate and finds that petitioners are entitled
15 to declaratory and injunctive relief on this issue. The Court finds and declares that DOF's June 27, 2013
16 determination that the UTS receivable is cash or a cash equivalent under Health and Safety Code section
17 34179.5(b)(1) for purposes of the Due Diligence Review is invalid. The Court will issue a writ directing
18 DOF to vacate that determination, and an injunction directing DOF not to take any action to enforce it.

19 Downtown Stadium Agreement

20 Facts:

21 The Court finds that the following are the facts relevant to petitioners' claims regarding the
22 Downtown Stadium Agreement.

23 On October 24, 2000, the City of Fresno and its former Redevelopment Agency entered into a
24 written agreement entitled the "Downtown Sports/Entertainment Stadium Disposition and Development
25 Agreement".²¹

26 The former Redevelopment Agency agreed to sell property it owned in downtown Fresno to the
27

28 ²¹ See, Evidence, Exhibit 21.

1 City for a price of \$710,000, which the City would pay by crediting that amount against current
2 Redevelopment Agency debts to the City.²²

3 The City agreed to design and construct a stadium on the property, financing construction through
4 the Fresno Joint Powers Financing Authority ("JPA"), a joint powers authority created by the City Council
5 and the former Redevelopment Agency in 1988. ²³ The City was to enter into a Site Lease with the JPA,
6 and the JPA was to enter into a Facilities Lease with the City, for the purpose of the JPA issuing bonds in
7 an amount not to exceed \$45,000,000 to finance construction of the stadium. The agreement provided that
8 the JPA would pledge the Facilities Lease payments from the City to pay down the debt on the bond
9 transaction. The agreement further provided that the City anticipated pledging "any and all legally
10 available funds of the City's general fund to pay the annual Facility Lease payments, which will be
11 equivalent to the Bond Transaction debt service, to the JPA."²⁴

12 The agreement also provided for potential payments by the Redevelopment Agency, described as
13 the "Agency Obligation". In the event that the City's annual Facility Lease payment to the JPA exceeded
14 the stadium's annual revenues actually received by the City and certain "pass through payments" of tax
15 increment revenue from the Redevelopment Agency's four newest redevelopment project areas, the
16 Redevelopment Agency agreed "...to reimburse or pay the City the excess amount, not to exceed
17 \$200,000 annually, from any legally available revenues".²⁵

18 On June 7, 2001, the JPA issued bonds for the downtown stadium project. A copy of the Bond
19 Official Statement Cover Page states that the bonds "...are special obligations of the [JPA], payable solely
20 from and secured by a pledge of certain Revenues and other moneys pledged therefor on the Trust
21 Agreement consisting primarily of Base Rental Payments... to be received by the [JPA] from the City
22 pursuant to a Facility Lease.... Such Base Rental Payments are calculated to be sufficient to pay the
23 principal of and interest on the Bonds when due. The obligation of the City to make Base Rental
24

25
26 ²² *Id.*, page 7, Section 3.

27 ²³ *Id.*, page 10, Section 5.

28 ²⁴ *Id.*, pages 16-17, Section 10(e).

²⁵ *Id.*, page 17, Section 10(e).

1 Payments is an obligation payable from any lawfully available funds of the City.”²⁶

2 The City subsequently built the stadium, which now serves as the home park for a minor league
3 baseball team and hosts other events. Prior to its dissolution, the former Redevelopment Agency made
4 payments to the City under the agreement to supplement stadium revenues.²⁷

5 On August 21, 2012, the Successor Agency for the Redevelopment Agency of the City of Fresno
6 submitted a Recognized Obligation Payment Schedule (“ROPS”) for the period January 1, 2013 to June
7 30, 2013. Item 3 of the ROPS listed a projected payment of \$140,743 for the Downtown Stadium
8 Agreement, and sought approval to make the payment with funds from the Redevelopment Property Tax
9 Trust Fund (“RPTTF”).²⁸

10 On March 19, 2013, respondent DOF issued a letter stating its determination with regard to this
11 item. DOF denied the item on the following basis:

12 “Finance previously denied the item as HSC section 34171(d)(2) states that agreements, contracts,
13 or arrangements between the city that created the redevelopment agency (RDA) and the former RDA are
14 not enforceable. The Agency contends the item is an enforceable obligation because written agreements
15 entered into at the time of issuance, but in no event later than December 31, 2010, of indebtedness
16 obligations, and solely for the purpose of securing or repaying those obligations may be deemed
17 enforceable. HSC section 34171(d)(2) states that written agreements entered into at the time of issuance,
18 but in no event later than December 31, 2010, of indebtedness obligations, and solely for the purpose of
19 securing or repaying those indebtedness obligations may be deemed enforceable obligations. However,
20 the agreement was not entered into at the time of the issuance as the Disposition and Development
21 Agreement between the City and the former RDA was dated October 24, 2000, and the bonds were dated
22 June 7, 2001. Furthermore, the agreement was not solely for the purpose of securing or repaying the
23 indebtedness obligations. The provisions of HSC section 34171 apply. HSC section 34171(d)(2) states
24 that agreements, contracts, or arrangements between the city, county, or city and county that created the
25

26 ²⁶ See, Evidence, Exhibit 22.

27 ²⁷ See, Declaration of Marlene Murphey, paragraph 25.

28 ²⁸ See, Evidence, Exhibit 6.

1 RDA and the former RDA are not enforceable obligations. Therefore, this item is not an enforceable
2 obligation and is not eligible for Redevelopment Property Tax Trust Fund (RPTTF)."²⁹

3 **Analysis:**

4 The issue before the Court is whether respondent DOF correctly determined that the Downtown
5 Stadium Agreement was not an "enforceable obligation" for purposes of the redevelopment dissolution
6 laws. If DOF's determination was correct, DOF was also correct in disapproving the payment under the
7 agreement petitioners claimed as Item 3 on the ROPS for January 1-June 30, 2013.

8 Health and Safety Code section 34171(d)(2) applies directly to this case. The statute declares that
9 the term "enforceable obligation" does not include "...any agreements, contracts, or arrangements
10 between the city, county, or city and county that created the redevelopment agency and the former
11 redevelopment agency". The Downtown Stadium Agreement, as an agreement between the City and the
12 former Redevelopment Agency, falls squarely within the terms of the statute, and therefore may not be
13 considered an "enforceable obligation" unless an exception applies.

14 Health and Safety Code section 34171(d)(2) does contain a potential exception to the general rule
15 that agreements between a city and its redevelopment agency may not be treated as enforceable
16 obligations, which is stated as follows: "However, written agreements entered into (A) at the time of
17 issuance, but in no event later than December 31, 2010, of indebtedness obligations, and (B) solely for the
18 purpose of securing or repaying those indebtedness obligations may be deemed enforceable obligations for
19 the purposes of this part."³⁰

20
21 Petitioners contend that the Downtown Stadium Agreement falls within this exception. This
22 contention is not persuasive, for reasons of both timing and substance.

23 With regard to timing, the exception applies to agreements entered into at the time of issuance of
24

25 ²⁹ See, Evidence, Exhibit 7.

26 ³⁰ Health and Safety Code section 34171(d)(2) contains another exception for loan agreements entered into between a
27 redevelopment agency and the city, county or city and county that created it, within two years of the date of creation
28 of the redevelopment agency. Petitioners do not contend that this exception applies, and it does not, because the City
created the Redevelopment Agency in 1959 (see, Declaration of Marlene Murphey, paragraph 2) and the agencies
entered into the Downtown Stadium Agreement in 2000.

1 "indebtedness obligations". Subdivision (e) of the statute defines this term as meaning "...bonds, notes,
2 certificates of participation, or other evidence of indebtedness, issued or delivered by the redevelopment
3 agency, or by a joint exercise of powers authority created by the redevelopment agency, to third-party
4 investors or bondholders to finance or refinance redevelopment projects undertaken by the redevelopment
5 agency in compliance with the Community Redevelopment Law...". In this case, the bonds issued for
6 stadium construction in June 2001 qualify as "indebtedness obligations", because the bonds were issued to
7 third-party investors or bondholders to finance downtown stadium project. However, petitioners'
8 contention that the Downtown Stadium Agreement is an enforceable obligation under the exception
9 founders on the fact that the bonds were not issued until nine months after the City and the Redevelopment
10 Agency entered into that agreement.

11
12 Petitioners argue that the Downtown Stadium Agreement and the subsequent issuance of bonds
13 should be considered as a single transaction, because the Downtown Stadium Agreement explicitly
14 contemplated the issuance of bonds. In essence, petitioners argue that the statutory language applying the
15 exception in subdivision (d)(2) to agreements entered into "at the time of issuance" of indebtedness
16 obligations should be interpreted as meaning agreements entered into "in connection with", but not
17 necessarily "simultaneously with", the issuance of indebtedness obligations.

18 The Court finds petitioners' proposed interpretation of the statutory exception to be unconvincing.
19 In this case, the City and the Redevelopment Agency entered into the Downtown Stadium Agreement
20 approximately nine months before the bonds were issued. To interpret the statutory language "at the time
21 of issuance" to apply to an action taken nine months before the issuance of bonds, as petitioners suggest,
22 stretches such language far beyond its reasonable and ordinary meaning. Indeed petitioners' interpretation
23 could make an agreement between a city and its redevelopment agency into an "enforceable obligation"
24 even when bonds are issued many years after the date of the agreement, as long as issuance of the bonds
25 was at least contemplated at the time of the agreement. Petitioners cite no evidence of legislative intent
26 that would support such an expansive interpretation of the statutory timing requirement. The Court
27 therefore finds no basis for adopting that interpretation here.

1 With regard to substance, petitioners' contention that the Downtown Stadium Agreement falls
2 within the terms of the exception in Health and Safety Code section 34171(d)(2) also fails. Part (B) of the
3 exception provides that, to be considered as an enforceable obligation, an agreement between a
4 redevelopment agency and its sponsor city must be one entered into *solely* for the purpose of securing or
5 repaying indebtedness obligations.

6 In this case, the City and the Redevelopment Agency did not enter into the Downtown Stadium
7 Agreement solely for the purpose of securing or repaying projected bonds for the project. They also did so
8 for the purpose of transferring ownership of the project site from the Redevelopment Agency to the City,
9 and for the purpose of building a stadium on the property, which the parties believed would help eliminate
10 blight in the project area and provide jobs for the local economy. Indeed, the contractual recitals contained
11 in the agreement focus primarily on achieving such benefits, and only mention bond financing in one of
12 the seventeen recital paragraphs.³¹ Bond financing thus appears to be the means of accomplishing the
13 agreement to build a stadium, rather than the sole or even major purpose of the agreement. The fact that
14 the Downtown Stadium Agreement had purposes other than solely securing or repaying indebtedness
15 obligations precludes those agreements from being considered enforceable obligations under Health and
16 Safety Code section 34171(d)(2).
17

18 Because the City and the Redevelopment Agency did not enter into the Downtown Stadium
19 Agreement at the time of issuance of the bonds for the project, and did not enter into that agreement solely
20 for the purpose of securing or repaying the bonds, the Downtown Stadium Agreement may not be
21 considered an "enforceable obligation" under the provisions of Health and Safety Code section
22 34171(d)(2). The petition for writ of mandate challenging respondent DOF's determination is therefore
23 denied, as are petitioners' requests for declaratory and injunctive relief on this issue.

24 Conclusion

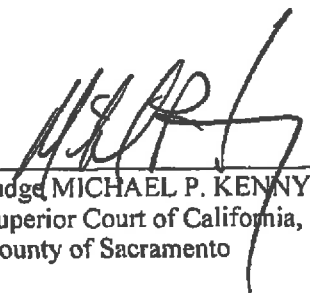
25 For the reasons stated above, the Court finds in favor of petitioners, and grants their requests for
26 declaratory, injunctive and writ of mandate relief, with regard to the State Controller's order, DOF's
27

28 ³¹ See, Evidence, Exhibit 20, pages 1-4, paragraphs A – Q.

1 determinations regarding cash housing assets transferred to the City as housing successor, and DOF's
2 determination regarding the UTS receivable. The Court finds in favor of respondents and denies
3 petitioners' claims for relief with regard to DOF's determination regarding the Downtown Stadium
4 Agreement.

5 In accordance with Local Rules 2.07 and 2.15, counsel for petitioners is directed to prepare a
6 formal order granting declaratory and injunctive relief and the petition for writ of mandate in part, as
7 stated above, and denying such relief in part, incorporating this Court's ruling as an exhibit; and a separate
8 judgment and writ of mandate; submit the order, judgment and writ to all other counsel for approval as to
9 form in accordance with Rule of Court 3.1312(a); and thereafter submit them to the Court for signature,
10 entry of judgment and issuance of the writ in accordance with Rule of Court 3.1312(b).
11

12
13 DATED: February 11, 2014
14

15 
16 Judge MICHAEL P. KENNY
17 Superior Court of California,
18 County of Sacramento
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CERTIFICATE OF SERVICE BY MAILING
(C.C.P. Sec. 1013a(4))

I, the undersigned deputy clerk of the Superior Court of California, County of Sacramento, do declare under penalty of perjury that I did this date place a copy of the above-entitled **RULING ON SUBMITTED MATTER** in envelopes addressed to each of the parties, or their counsel of record as stated below, with sufficient postage affixed thereto and deposited the same in the United States Post Office at 720 9th Street, Sacramento, California.

JULIET E. COX, ESQ.
GOLDFARB LIPMAN
1300 Clay Street, 11th Floor
Oakland, CA 94612

MICHAEL R. LINDEN
Deputy County Counsel
2220 Tulare Street, 5th Floor
Fresno, CA 93721

JEFFREY A. RICH
STEPHANIE F. ZOOK
Deputy Attorneys General
P.O. Box 944255
Sacramento, CA 94244-2550

Superior Court of California,
County of Sacramento

Dated: February 11, 2014

By: 
S. LEE
Deputy Clerk



JOHN CHIANG
California State Controller

November 7, 2013

Steven L. Goetz, Deputy Director
Conservation, Transportation, and Successor Agency
Contra Costa County
30 Muir Road
Martinez, CA 94553

Dear Mr. Goetz:

Pursuant to Health and Safety Code section 34167.5, the State Controller's Office (SCO) reviewed all asset transfers made by the Contra Costa County Redevelopment Agency (RDA) to the County of Contra Costa or any other public agency after January 1, 2011. This statutory provision states, "The Legislature hereby finds that a transfer of assets by a redevelopment agency during the period covered in this section is deemed not to be in furtherance of the Community Redevelopment Law and is thereby unauthorized." Therefore, our review included an assessment of whether each asset transfer was allowable and whether it should be turned over to the Contra Costa County Redevelopment Successor Agency.

Our review applied to all assets including, but not limited to, real and personal property, cash funds, accounts receivable, deeds of trust and mortgages, contract rights, and rights to payment of any kind. We also reviewed and determined whether any unallowable transfers of assets to the County of Contra Costa or any other public agencies have been reversed.

Our review found that the RDA transferred \$73,858,172 in assets after January 1, 2011, including unallowable transfers of assets totaling \$21,924,471 (\$5,482,124 to the County and \$16,442,347 to the Housing Authority), or 29.68% of the total assets, that must be turned over to the RDA Successor Agency.

If you have any questions, please contact Steven Mar, Bureau Chief, Local Government Audits Bureau, by phone at (916) 324-7226.

Sincerely,

Original signed by

JEFFREY V. BROWNFIELD, CPA
Chief, Division of Audits

JVB/kw

Attachment

cc: Robert Campbell, Auditor-Controller
Contra Costa County
William Lau, Oversight Board Chair
Contra Costa County Redevelopment Successor Agency
David Botelho, Program Budget Manager
California Department of Finance
Richard J. Chivaro, Chief Legal Counsel
State Controller's Office
Steven Mar, Bureau Chief
Division of Audits, State Controller's Office
Betty Moya, Audit Manager
Division of Audits, State Controller's Office
Cecilia Michaels, Auditor-in-Charge
Division of Audits, State Controller's Office
Daniel Tobia, Auditor
Division of Audits, State Controller's Office



CONTRA COSTA COUNTY
DEPARTMENT OF CONSERVATION & DEVELOPMENT
30 Muir Road
Martinez, CA 94553
Telephone: (925) 674-7878

TO: Oversight Board

FROM: Maureen Toms, AICP, Successor Agency Program Manager

DATE: September 24, 2014

SUBJECT: Agenda Item 4b, ROPS 14-15A - Meet and Confer and Final Determination

ROPS 14-15A (July – December 2014) was approved by the Oversight Board on February 26, 2014. The Successor Agency received notification from the Department of Finance (DOF) on April 11, 2014 that Item #104, in the amount of \$147,601 for testing and remediation of a portion of the Iron Horse Trail was denied. The Successor Agency submitted a Meet and Confer request and on April 23, 2014 held a conference call with the DOF. Following the conference call, staff provided the DOF additional back-up documentation to support the obligation. On May 16, 2014 the DOF rendered their final determination, upholding their initial denial of Item #104 for the remediation costs of a portion of the Iron Horse Trail on the basis that the proposed testing and remediation does not represent an obligation of the Successor Agency as defined by the Dissolution Act.

ATTACHMENTS

Attachment A – Determination letter from the Department of Finance (April 11, 2014)
Attachment B – Meet and Confer request (April 11, 2014)
Attachment C – Determination letter from the Department of Finance (May 16, 2014)



MEET AND CONFER REQUEST FORM

Instructions: Please fill out this form in its entirety to initiate a Meet and Confer session. Additional supporting documents may be included with the submittal of this form—as justification for the disputed item(s). Upon completion, email a PDF version of this document (including any attachments) to:

Redevelopment_Administration@dof.ca.gov

The subject line should state “[Agency Name] Request to Meet and Confer”. Upon receipt and determination that the request is valid and complete, the Department of Finance (Finance) will contact the requesting agency within ten business days to schedule a date and time for the Meet and Confer session.

To be valid, all Meet and Confer requests must be specifically related to a determination made by Finance and submitted within the required statutory time frame. The requirements are as follows:

- **Housing Asset Transfer** Meet and Confer requests must be made within five business days of the date of Finance’s determination letter per HSC Section 34176 (a) (2).
- **Due Diligence Review** Meet and Confer requests must be made within five business days of the date of Finance’s determination letter, and no later than **November 16, 2012** for the Low and Moderate Income Housing Fund due diligence review per HSC Section 34179.6 (e).
- **Recognized Obligation Payment Schedule (ROPS)** Meet and Confer requests must be made within five business days of the date of Finance’s determination letter per HSC Section 34177 (m).

Agencies should become familiar with the Meet and Confer Guidelines located on Finance’s website. Failure to follow these guidelines could result in termination of the Meet and Confer session. Questions related to the Meet and Confer process should be directed to Finance’s Dispute Resolution Coordinator at (916) 445-1546 or by email to Redevelopment_Administration@dof.ca.gov.

AGENCY (SELECT ONE):

☒ Successor Agency ☐ Housing Entity

AGENCY NAME: Contra Costa County Successor Agency

TYPE OF MEET AND CONFER REQUESTED (SELECT ONE):

☐ Housing Assets Transfers ☐ Due Diligence Reviews ☒ ROPS Period 14-15A

DATE OF FINANCE’S DETERMINATION LETTER: April 11, 2014

REQUESTED FORMAT OF MEET AND CONFER SESSION (SELECT ONE):

☐ Meeting at Finance ☒ Conference Call

DETAIL OF REQUEST

A. Summary of Disputed Issue(s) *(Must be specific.)*

ROPS 14-15A item 104 covers the cost of remediation (soil sampling, arsenic remediation, asphalt and soil import/export, and hazardous materials division time) of a segment of the Iron Horse Trail Corridor that has been recently tested and found to contain arsenic. The funds needed for this obligation are \$147,601.

B. Background/History *(Provide relevant background/history, if applicable.)*

The former Redevelopment Agency is the owner of numerous parcels that comprise the Iron Horse Corridor. During projects on numerous segments of the corridor over the the last five years, arsenic has been discovered. Some segments have been remediated, some have been tested and not yet remediated, and the majority of the corridor has not been tested yet. During ROPS 13/14 B the Successor Agency requested \$65,000 for testing of the entire corridor and was denied, based on the pending LRPMP. Since that time, a segment going through design process for a landscape project was tested, using another funding source and remediation cost estimates have been developed. The cost estimate for this segment has been identified as \$162,400. The request on the ROPS was reduced to \$147,601 because there were funds remaining from another source for the work. We would like to move forward on the remediation of this segment because the community is anxious for this landscaping project to move forward this year.

The cost for testing the remainder of the corridor, as described in the Long Range Property Management Plan will be added in ROPS 14-15B. The cost for remediation of the additional sites will be added in ROPS 15-16A and beyond, depending upon the scope of remediation required.

C. Justification *(Provide additional attachments to this form, as necessary.)*

As the property owner of the the Iron Horse Trail Corridor, it is the responsibility of the Successor Agency to cover the cost of remediating contaminated soil. Sost estimates that were developed as part of a larger project have been separted out in a budget and provided to the Department of Finance. The Successor Agency is working to get a more detailed proposal for the remediation work that needs to be complete before the remained of the project can move forward.

Agency Contact Information

Name: Maureen Toms

Title: Principal Planner

Phone: 925-674-7878

Email: maureen.toms@dcd.cccounty.us
jason.crapo@dcd.cccounty.us

Date: 4-16-14

Name: Jason Crapp

Title: Deputy Director

Phone: 925-674-7722

Email:

Date: 4-16-14

Department of Finance Local Government Unit Use OnlyREQUEST TO MEET AND CONFER DATE: ☐ APPROVED ☐ DENIED

REQUEST APPROVED/DENIED BY: _____ DATE: _____

MEET AND CONFER DATE/TIME/LOCATION: _____

MEET AND CONFER SESSION CONFIRMED: ☐ YES DATE CONFIRMED: _____DENIAL NOTICE PROVIDED: ☐ YES DATE AGENCY NOTIFIED: _____

Form DF-MC (Revised 9/10/12)



May 16, 2014

Ms. Maureen Toms, Principal Planner
Contra Costa County
30 Muir Road
Martinez, CA 94553

Dear Ms. Toms:

Subject: Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 11, 2014. Pursuant to Health and Safety Code (HSC) section 34177 (m), the Contra Costa County Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule (ROPS 14-15A) to Finance on February 27, 2014, for the period of July through December 2014. Finance issued a ROPS determination letter on April 11, 2014. Subsequently, the Agency requested a Meet and Confer session on one or more of the items denied by Finance. The Meet and Confer session was held on April 23, 2014.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer process, Finance has completed its review of the specific item being disputed.

- Item No. 104 – Iron Horse Corridor Remediation and Property Management in the amount of \$147,601 is not an enforceable obligation. Finance continues to deny this item. The Agency provided a copy of the contamination and cleanup budget for this project; however, Finance denied this item because this document is insufficient to support the requested amount. During the Meet and Confer process, the Agency provided a breakdown of the denied amount, which includes the estimated costs for remediation of the property that the Agency plans on completing after the Long-Range Property Management Plan (LRPMP) is approved by Finance. However, since the Agency's LRPMP has not been approved, Finance has not determined if these proposed costs will be allowable. Additionally, the Agency did not provide any other documents indicating that the remediation costs are required by an existing enforceable obligation. Therefore, this item is not an enforceable obligation and not eligible for RPTTF funding. Once the Agency's LRPMP has been approved by Finance, the Agency may request RPTTF funding on a ROPS to implement the approved LRPMP.

Pursuant to HSC section 34186 (a), successor agencies were required to report on the ROPS 14-15A form the estimated obligations and actual payments (prior period adjustments) associated with the July through December 2013 period. HSC section 34186 (a) also specifies prior period adjustments self-reported by successor agencies are subject to audit by the county auditor-controller (CAC) and the State Controller. The amount of RPTTF approved in the table

below includes the prior period adjustment resulting from the CAC's audit of the Agency's self-reported prior period adjustment.

Except for the item denied in whole or in part as enforceable obligations, Finance is not objecting to the remaining items listed on your ROPS 14-15A. The Agency's maximum approved RPTTF distribution for the reporting period is \$5,191,654 as summarized below:

Approved RPTTF Distribution For the period of July through December 2014	
Total RPTTF requested for non-administrative obligations	5,089,255
Total RPTTF requested for administrative obligations	250,000
Total RPTTF requested for obligations	\$ 5,339,255
Total RPTTF requested for non-administrative obligations	5,089,255
<u>Denied Item</u>	
Item No. 104	(147,601)
Total RPTTF authorized for non-administrative obligations	\$ 4,941,654
Total RPTTF authorized for administrative obligations	\$ 250,000
Total RPTTF authorized for obligations	\$ 5,191,654
ROPS 13-14A prior period adjustment	0
Total RPTTF approved for distribution	\$ 5,191,654

Pursuant to HSC section 34177 (l) (1) (E), agencies are required to use all available funding sources prior to RPTTF for payment of enforceable obligations. During the ROPS 14-15A review, Finance requested financial records to support the cash balances reported by the Agency; however, Finance was unable to reconcile the financial records to the amounts reported. As a result, Finance will continue to work with the Agency after the ROPS 14-15A review period to properly identify the Agency's cash balances. If it is determined the Agency possesses cash balances that are available to pay approved obligations, the Agency should request the use of these cash balances prior to requesting RPTTF in ROPS 14-15B.

Please refer to the ROPS 14-15A schedule that was used to calculate the approved RPTTF amount:

<http://www.dof.ca.gov/redevelopment/ROPS>

This is Finance's final determination related to the enforceable obligations reported on your ROPS for July 1 through December 31, 2014. This determination only applies to items where funding was requested for the six-month period. Finance's determination is effective for this time period only and should not be conclusively relied upon for future periods. All items listed on a future ROPS are subject to a subsequent review and may be denied even if it was or was not denied on this ROPS or a preceding ROPS. The only exception is for those items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of items that have received a Final and Conclusive determination is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment that was available prior to enactment of ABx1 26 and AB 1484. This amount is not and never was an unlimited funding source. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the successor agency in the RPTTF.

To the extent proceeds from bonds issued after December 31, 2010 exist and are not encumbered by an enforceable obligation pursuant to HSC section 34171 (d), HSC section 34191.4 (c) (2) (B) requires these proceeds be used to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation.

Please direct inquiries to Evelyn Suess, Dispute Resolution Supervisor, or Mary Halterman, Analyst, at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Assistant Program Budget Manager

cc: Mr. Jason Crapo, Deputy Director, Contra Costa County
Mr. Bob Campbell, Auditor-Controller, Contra Costa County
California State Controller's Office

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**CONTRA COSTA COUNTY
DEPARTMENT OF CONSERVATION & DEVELOPMENT
30 Muir Road
Martinez, CA 94553
Telephone: (925) 674-7830**

TO: Oversight Board
FROM: Jason Crapo, Successor Agency Director
DATE: September 24, 2014
SUBJECT: Agenda Item 4c, Redevelopment Agency Dissolution Status

Two significant and related objectives of dissolving the former Redevelopment Agency (RDA) are:

1. Wind down the affairs of the former RDA, and
2. Redistribute property tax increment revenue to other taxing entities

This report provides a status update regarding these two objectives, as well as a summary of recent legislation related to the dissolution of redevelopment.

Winding Down Former RDA Activities

Progress towards winding down the affairs of the former Redevelopment Agency (RDA) can be measured by the number and dollar value of the activities the Successor Agency is authorized to undertake, as reported on the Recognized Obligation Payment Schedule (ROPS). The number of ROPS items has fluctuated since the ROPS process was established more than two years ago. The number of items will go down in the long-term; however, in the short-term the number of ROPS items will continue to vary and will not show a consistent pattern of decline for several more ROPS cycles.

The ongoing fluctuation in the ROPS results from some ROPS items being brought to a conclusion, while new ROPS items are simultaneously being created. ROPS items have been eliminated as the result of completing former RDA projects and activities. However, new ROPS items are being created as milestones in the dissolution process are achieved, which trigger new activities.

For example, there have been increases in ROPS items due to the recent ability of the Successor Agency to use bond proceeds following the issuance of the Finding of Completion by the Department of Finance (DOF). This resulted in new ROPS items to expend bond proceeds on projects consistent with the allowable uses of the bonds. Future expenses from the ROPS will include the repayment of loans, including ROPS Item# 59 to repay a special revenue account \$293,006 for start-up costs for Montalvin Manor project area and Item #74, a loan from the Low Moderate Income Housing Fund payment of the Supplemental Education Revenue Augmentation Fund (SERAF) in the amount of \$500,717. The Long Range Property Management Plan, currently pending review by DOF, may also result in new ROPS items once approved.

In short, the dissolution process defined in State law is still unfolding. The level of activities reflected in the ROPS will continue to vary as some steps in the dissolution process are completed and others begin. It will take several more ROPS cycles for the dissolution process to stabilize and for a consistent decrease in ROPS activity to occur.

Revenue Distribution to Other Taxing Entities

Revenue distribution to other taxing entities following the dissolution of the former RDA has been modest due to a combination of declining property tax increment revenue since FY 2009 and continuing fluctuations in the ROPS, as described above. Below is a breakdown of the distribution for the last five ROPS periods.

		RPTTF Available	Total RPTTF approved for obligations	Distribution to Successor Agency	RPTT not funded	Distribution to Taxing Entities
ROPS 2	12-13A	\$7,065,699	\$5,648,583	\$5,648,583	\$0	\$359,755
ROPS 3	12-13B	\$6,777,021	\$6,112,449	\$5,587,132	\$525,317	\$0
ROPS 4	13-14A	\$7,497,113	\$5,996,011	\$5,996,011	\$0	\$359,395
ROPS 5	13-14B	\$7,259,732	\$6,095,312	\$6,095,312	\$0	\$0
ROPS 6	14-15A	\$7,253,074	\$5,191,654	\$5,191,654	\$0	\$795,123

As the assessed valuations for the project areas increase and the enforceable obligations decrease over time, the remaining funds available for distribution will also increase. However, a significant portion of property tax increment revenues will be required to fund the long-term obligations of the former RDA well into the future, primarily due to bond debt service payments. This will restrict the proportion of revenues available for distribution to other taxing entities.

New Legislation

AB 471: AB 471, urgency legislation which took immediate effect upon signature by the Governor on February 18, 2014, provides some housing successors with temporary financial support, provides guidance for the preparation of Recognized Obligation Payment Schedules (ROPSs) and Long-Range Property Management Plans (LRPMPs), and amends infrastructure financing district laws to potentially increase their use by local governments.

Administrative Support for Some Housing Successors - Commencing on July 1, 2014 and continuing through July 1, 2018, housing authorities that retained the housing functions of dissolved redevelopment agencies will be eligible to receive a "housing entity administrative cost allowance" in an amount equal to the greater of \$150,000 or 1% of the Redevelopment Obligation Retirement Fund (or 1% of the RPTTF distribution to meet enforceable obligations) per fiscal year. To claim these funds, the successor agency is required to list the "housing entity administrative cost allowance" on the successor agency's ROPS. This item is added as Line #123 on ROPS 14-15B.

AB 1963: On July 18, 2014, the Governor signed AB 1963, urgency legislation which immediately repeals the requirement for the State Controller's audits of successor agency transfers made after June 30, 2012. The State Controller's Office (SCO) will continue to conduct the audits of redevelopment agency transfers occurring between January 1, 2011 and January 31, 2012. The repeal of the post-dissolution audits alleviates concerns that the SCO's audits would replicate the prior period adjustment reviews already performed by the Department of Finance (DOF) and about potential conflicts or inconsistencies between the two processes.

AB 1963 also extends the deadline for the DOF's final approval of long-range property management plans (LRPMPs) from January 1, 2015 to January 1, 2016 – thereby avoiding the fire sale provisions of the dissolution statutes that would apply to successor agencies that did not receive final approval of their LRPMP by the end of this calendar year. The extension does not amend or otherwise change the requirement that each successor agency submit an LRPMP to the DOF within six months of receipt of its finding of completion.

Attachments

Attachment A: Distribution Report for ROPS 14-15A

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Recognized Obligation Payment Schedule (ROPS) Redevelopment Property Tax Trust Fund (RPTTF) Distributions

Allocation Period: July 2014 - December 2014

ROPS Redevelopment Property Tax Trust Fund (RPTTF) Allocation Cycle: 14-15A

County : Contra Costa

Line #	Title of Former Redevelopment Agency:	CTRA. COSTA
1	RPTTF Deposits - Entering the deposits by source is optional.	
2	Secured & Unsecured Property Tax Increment (TI)	7,220,871
3	Supplemental & Unitary Property TI	32,202
4	Interest Earnings/Other	
5	Penalty Assessments	
6	Total RPTTF Deposits (sum of lines 2:5)	7,253,074
7	Total RPTTF Balance Available to Fund CAC Administrative Costs and Passthroughs	7,253,074
8	RPTTF Distributions - Include all payments made pursuant to Health and Safety Code (H&S) Section 34183. Note that the following distributions are not necessary listed in the priority order required by H&S 34183.	
9	Administrative Distributions-	
10	Administrative Fees to CAC	38,853
11	SB 2557 Administration Fees	68,253
12	SCO Invoices for Audit and Oversight - Funding should only be allocated for this purpose when there is sufficient RPTTF to fully fund the approved enforceable obligations as shown on line 35.	15,491
13	Total Administrative Distributions (sum of lines 10:12)	122,596
14	Passthrough Distributions-	
15	City Passthrough Payments	-
16	County Passthrough Payments	168,509
17	Special District Passthrough Payments	543,722
18	K-12 School Passthrough Payments - Tax Portion	2,305
19	K-12 School Passthrough Payments - Facilities Portion	315,563
20	Community College Passthrough Payments - Tax Portion	353
21	Community College Passthrough Payments - Facilities Portion	84,021
22	County Office of Education - Tax Portion	40
23	County Office of Education - Facilities Portion	27,220
24	Education Revenue Augmentation Fund (ERAF)	1,968
25	Total Passthrough Distributions (sum of lines 15:24)	1,143,701
26	Total Administrative and Passthrough Distributions (sum of lines 13 and 25)	1,266,297
27	Total RPTTF Balance Available to Fund Successor Agency (SA) Enforceable Obligations (EOs) (line 6 - 26)	5,986,777
28	Finance Approved RPTTF for Distribution - Include the total RPTTF approved for SA non-admin and admin costs, and prior period adjustments (PPAs), which can be found on the ROPS determination or ROPS meet-and-confer letters issued by Finance. RPTTF Withholdings - If you receive a RPTTF withholding letter from Finance, you will include the withholding amounts by Due Diligence Review (DDR) process, as indicated in the letter, on lines 33 and 34. Note that CACs should first apply the withholding to the Low and Moderate Income Housing Fund (LMIHF) balance and then apply the remaining withholding to the Other Funds and Assets (OFA) balance. Also note that the following withheld amounts should be reported on the respective LMIHF and OFA actuals reports and distributed to the affected taxing entities (ATEs) accordingly.	
29	Non-Admin EOs	4,941,654
30	Admin EOs	250,000
31	Less PPAs - Amount should be entered as a negative number.	-
32	Less RPTTF Withholding - Amounts should be entered as a negative number:	
33	LMIHF	-
34	OFA	-
35	Total Finance Approved RPTTF for Distribution (sum of lines 29:34)	5,191,654

36	CAC Distributed ROPS RPTTF- CACs should first apply the negative PPA and RPTTF withholding amounts to the non-admin distributions and then apply the balances to the admin distributions if necessary.		
37	Non-Admin EOs		4,941,654
38	Admin EOs		250,000
39	Total CAC Distributed RPTTF for SA EOs (sum of lines 37 and 38)		5,191,654
40	Formula check to determine whether the lesser of the total Finance approved RPTTF or the total RPTTF balance available to fund EOs was allocated to the SA. Please explain all amounts shown in the comments section.		
41	Net ROPS 14-15A and DDR Withholding RPTTF Balance Available for Distribution to ATEs (line 27 - 39)		795,123
42	Less RPTTF Withholdings - The following withheld amounts should be reported on the respective LMIHF and OFA actuals reports and distributed to the affected taxing entities (ATEs) accordingly. In addition, the amounts should be entered as a negative number. Note that the amounts on lines 43 and 44 should be equal to or less than the amounts on 33 and 34.		
43	LMIHF		-
44	OFA		-
45	Total Actual RPTTF Withholdings (sum of lines 43 and 44)		-
46	Total ROPS 14-15A Only RPTTF Balance Available for Distribution to ATEs (line 41 + 45) - Excludes RPTTF withholding residuals paid to the ATEs as shown on line 45.		795,123
47	RPTTF Distributions to ATEs - Payments pursuant to H&S Section 34183(a)(4). Include the effect of "haircutting" pursuant to H&S Section 34188. Note that the totals on lines 46 and 58 need to match. Positive or negative amounts shown on line 40 should be considered and/or corrected before the funds shown on line 46 are distributed to the ATEs.		
48	Cities		-
49	Counties		133,677
50	Special Districts		248,919
51	K-12 Schools		234,301
52	Community Colleges		38,198
53	County Office of Education		11,381
54	Total ERAF - Please break out the ERAF amounts into the following categories if possible. (sum of lines 55:57)		128,648
55	ERAF - K-12		
56	ERAF - Community Colleges		
57	ERAF - County Offices of Education		
58	Total RPTTF Distributions to ATEs (sum of lines 48:54) - Total residual distributions must equal the total residual balance as shown on line 46.		795,123
59	Total Residual Distributions to K-14 Schools (sum of lines 51:54):		412,528
60	Percentage of Residual Distributions to K-14 Schools		51.9%
61	Comments:		



CONTRA COSTA COUNTY
DEPARTMENT OF CONSERVATION & DEVELOPMENT
30 Muir Road
Martinez, CA 94553
Telephone: (925) 674-7878

TO: Oversight Board

FROM: Maureen Toms, AICP, Successor Agency Program Manager

DATE: September 24, 2014

SUBJECT: **Agenda Item 4b, Long Range Property Management Plan Status**

Background

Pursuant to Health and Safety Code section 34191.5, within six months after receiving a Finding of Completion from the Department of Finance (DOF), the Successor Agency was required to submit for approval to the Oversight Board and DOF a Long-Range Property Management Plan (LRPMP) that addresses the disposition and use of the real properties of the former redevelopment agency. The Successor Agency received a Finding of Completion on July 18, 2013. The Oversight Board adopted Resolution No. 2013-9 on September 25, 2013 approving the Long Range Property Management Plan (LRPMP).

The LRPMP was not approved by the DOF prior to their review of ROPS 13-14B, therefore, two line items implementing the LRPMP were denied. These items include: Lines 104 (partial denial) and 105. The maintenance portion (\$20,000) of line 104 was approved. These items were relisted in the ROPS 14-15A in anticipation of the approval of the LRPMP. They were rejected again.

In June 2014, the Successor Agency had some communication with the DOF regarding the LRPMP. The DOF indicated that they would be likely to deny the LRPMP because it was conditioned on the payment to cover costs to test and remediate property along the Iron Horse Corridor. Staff responded to the DOF's concerns on June 10, 2014 and received a response (see Attachment B) on August 15, 2014. Staff will be discussing this with both Successor Agency and County Counsel to determine next steps. It is expected that resolution will be presented to the Oversight Board in February 2015, which will be sufficient time to meet the new January 2016 deadline for submittal of the LRPMP.

Attachments:

- Attachment A-June 10, 2014 Letter to the DOF
- Attachment B – August 15, 2014 email from the DOF

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**Department of
Conservation &
Development**

30 Muir Road
Martinez, CA 94553-4601

Phone: 1-855-323-2626

**Contra
Costa
County**



Catherine Kutsuris
Director

Aruna Bhat
Deputy Director

Jason Crapo
Deputy Director

John Kopchik
Deputy Director

June 10, 2014

via e-mail

Nichelle Thomas
Department of Finance
915 L Street, Suite 1125
Sacramento, CA 95814-3706

**RE: ENVIRONMENTAL LIABILITY OF SUCCESSOR AGENCY WITH REGARDS
TO IRON HORSE TRAIL PARCELS; REQUEST TO APPROVE LONG RANGE
PROPERTY MANAGEMENT PLAN SUBMITTED BY SUCCESSOR AGENCY**

Thank you for allowing the Contra Costa County Successor Agency, a separate public entity (the "Successor Agency"), successor in interest to the dissolved Contra Costa County Redevelopment Agency (the "Dissolved RDA"), the opportunity to provide you with more information with regards to the environmental liability for the environmental remediation present at the Iron Horse Trail Parcels. As further described below, the Successor Agency contends that the strict liability provisions of all applicable Federal and State laws impose a duty on the Successor Agency to remediate the Iron Horse Trail Parcels. For the reasons stated below, the Successor Agency requests that the Department of Finance ("DOF") approve the Successor Agency's Long Range Property Management Plan, which states that the Iron Horse Trail Parcels are "public use" properties, and that the transfer of these properties to Contra Costa County be conditioned on the identification and remediation of any and all hazardous materials by the Successor Agency. The Successor Agency further requests that the DOF determine that the costs of investigation and remediation of the Iron Horse Trail Parcels are enforceable obligations.

A. BACKGROUND

The Iron Horse Trail Parcels are an agglomeration of 13 parcels of various sizes that were formerly part of the abandoned Southern Pacific Railroad San Ramon Valley Branch Line right-of-way. The 13 parcels are located in the cities of Concord, Walnut Creek, Pleasant Hill and in unincorporated Contra Costa County. The Iron Horse Trail Parcels were acquired by the

Dissolved RDA between 1984 and 1986 from Southern Pacific Railroad to preserve the properties as a public trail, utility corridor and for potential future transit. At the time of acquisition, the Polanco Act (Health and Safety Code §§33459-33459.8) granted statutory authority to the Dissolved RDA to order the assessment and cleanup of contaminated properties and provided a strong form of immunity from liability.

Segments of the railroad right-of-way have been found to contain arsenic and ground water contamination, including the "Hookston Station Area Parcels" which are the subject of a court ordered remediation settlement agreement for ground water contamination. Arsenic has been discovered and remediated along several segments of the Iron Horse Trail in the last five years. The Long Range Property Management Plan (the "LRPMP") approved by the Successor Agency's Oversight Board conditions the transfer of the Iron Horse Trail Parcels, for public use, on the identification and remediation of any and all hazardous materials by the Successor Agency. The Successor Agency has requested that the Department of Finance (the "DOF") allow the Successor Agency to claim distributions of tax increment to pay for the costs of additional environmental testing for arsenic of Iron Horse Trail Parcels and, if necessary, additional funds to pay costs of any necessary environmental remediation.

B. ENVIRONMENTAL LIABILITY

The Successor Agency, as the current owner of the Iron Horse Trail Parcels, is responsible for the remediation of any toxic contamination under both federal and state statutes and the payment of those costs constitute enforceable obligations under Health and Safety Code Section 34171.

Joint and Several Strict Liability.

The primary federal statutes dealing with toxic remediation are the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA") (42 USC §§9601-9675) and the Resource Conservation and Recovery Act of 1976 ("RCRA") (42 USC §§6901-6992k). The primary state statutes dealing with toxic remediation are Carpenter-Presley-Tanner Hazardous Substance Account Act ("HAS") (Health and Safety Code §§25300-25395.45) and the Hazardous Waste Control Law ("HCL") (Health and Safety Code §§25100-25258.2).

Under the both the federal and state statutes, property owners, operators, or lessees may be required to remediate contamination or may be strictly liable to third parties for the remediation costs, even if the owner or operator did not cause the contamination or no longer owns the property. CERCLA, and state statutes, impose strict joint and several liability on responsible parties including the current owner, operators, arrangers and transporters of toxic materials. In addition to cleanup liability, current and future owners of contaminated property are also liable for potential third-party tort and other common law claims (i.e. nuisance).

While both the federal and state statutes have limited defenses against claims for liability, the Successor Agency would not qualify for any of those defenses unless the Successor Agency could establish that it exercised due care with respect to hazardous substances concerned and took steps to: (1) stop the continuing release; (2) prevent future releases; and (3) prevent or limit

any human, environmental or natural resource exposure to any previously released hazardous substance. By virtue of simply being the current owner of the Iron Horse Trail Parcels, the Successor Agency is statutorily liable for the cleanup of any contamination present at the Iron Horse Trail Parcels and without taking affirmative action prevent or remediate the properties, the Successor Agency could not qualify for any of the potential defenses.

Remediation Obligations are Enforceable Obligations.

The Successor Agency's clean up obligations constitute enforceable obligations under Health and Safety Code Sections 34171(b) and 34171(d) and are therefore eligible to be paid from Redevelopment Property Tax Trust Fund distributions.

Under Section 34171(b), the Successor Agency cost for maintaining property prior to disposition are costs separate from the Successor Agency's administrative cost allowance and can thus be included in the ROPS as separate line items. Because the properties are used as a public trail, the Successor Agency has an added duty to protect the public against potential exposure to environmental contaminants.

Section 34171(d)(1)(C) defines enforceable obligations to include "payments required by the federal government, preexisting obligations to the state or obligations imposed by state law..." Both the applicable federal and state environmental statutes impose strict liability on the Successor Agency, as the current owner. To be able to rely on the defenses to liability, the Successor Agency must show it exercised due care with respect to hazardous substances concerned and took steps to: (1) stop the continuing release ; (2) prevent future releases; and (3) prevent or limit any human, environmental or natural resource exposure to any previously released hazardous substance.

The Successor Agency staff intends to prepare a detailed budget related to the property remediation costs incurred to maintain the properties in a safe and sanitary condition. Given the properties are used for public trails the Successor Agency is required to maintain the property in a manner that reduces the risk of injury and harm to the public. The remediation of the property will enable the Successor Agency to dispose of the property and thereby expeditiously wind down the affairs of the Dissolved RDA as required under Section 34177(h).

The strict liability imposed under federal and state statutes are deterring the County from receiving these properties because it would expose the County's general fund to unknown liability. The unique configuration, low-development potential, and restricted uses of the properties make it highly unlikely that any other purchaser would come forward to acquire the properties. Furthermore, even if there were alternative purchasers willing to acquire the properties, those purchasers would either require that the properties be remediated to acceptable standards or require a release and indemnity for the environmental contamination, thereby exposing the Successor Agency to unknown liability if the clean-up of the properties were to be mishandled. Without action, the Successor Agency will be unable to transfer the properties and will be required to hold the properties well into the future—frustrating the intent of Section 34177(h).

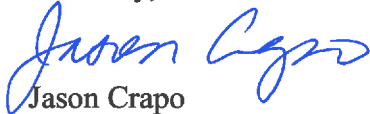
C. CONCLUSION

For the reasons stated above, the Successor Agency requests that the DOF approve the Successor Agency's Long Range Property Management Plan, which states that the Iron Horse Trail Parcels are "public use" properties, and that the transfer of these properties to Contra Costa County be conditioned on the identification and remediation of any and all hazardous materials by the Successor Agency. The Successor Agency further requests that the DOF make a determination that the costs of investigation and remediation of the properties are enforceable obligations under 34171(b) and 34171(d)(1)(C). We look forward to the opportunity to meet with the Department and hope that the discussion will lead to a quick resolution to the issues addressed herein.

Please contact Maureen Toms, Redevelopment Program Manager, at (925) 674-7878 or via email at Maureen.toms@dcd.cccounty.us to set a date for a meeting to further discuss the items contained herein.

Thank you in advance for your assistance in this matter.

Sincerely,



Jason Crapo
Deputy Director

cc:

Jennifer Rockwell, Chief Counsel, Department of Finance
Justyn Howard, Local Government Consultant, Department of Finance
John Chiang, California State Controller
Maureen Toms, Department of Conservation and Development
Bob Campbell, Auditor-Controller, Contra Costa County
Julie Bueren, Director, Public Works Director

From: [Howard, Justyn](#)
To: [Maureen Toms](#); [Bob Campbell](#)
Cc: [Thomas, Nichelle](#); [Takagi-Galamba, Chikako](#); [Redevelopment Administration](#)
Subject: RE: Contra Costa County LRPMP -additional information
Date: Friday, August 15, 2014 10:23:56 AM

Hi Maureen,

This is in response to your recent inquiry regarding the Contra Costa Successor Agency (Agency)'s Long-Range Property Management Plan (LRPMP). After further review, Finance still maintains that the remediation costs are not considered enforceable obligations. We have denied the Agency's request to fund the remediation costs on previous ROPS. Therefore, the Agency should revise the LRPMP accordingly and select one of the permissible uses that would best fit the Agency's situation. Once the oversight board approved revised LRPMP is submitted, Finance will work expeditiously with the Agency to approve the plan.

Best regards,
Justyn Howard

From: Maureen Toms [<mailto:Maureen.Toms@dcd.cccounty.us>]
Sent: Monday, July 28, 2014 2:05 PM
To: Thomas, Nichelle
Cc: Rockwell, Jennifer; Howard, Justyn; john.chiang@sco.ca.gov; Bob Campbell; Julie Bueren; Carrie Ricci; Rafael Yaquian; Thomas Geiger; Redevelopment Administration; Jason Crapo
Subject: RE: Contra Costa County LRPMP -additional information

Nichelle: Has there been an update on the DOF's review of Contra Costa County's Long Range Property Management Plan?

Maureen Toms, AICP
Contra Costa County
Department of Conservation and Development
30 Muir Road
Martinez, CA 94553
925-674-7878

From: Maureen Toms
Sent: Tuesday, June 10, 2014 3:10 PM
To: Thomas, Nichelle (Nichelle.Thomas@dof.ca.gov)
Cc: jennifer.rockwell@dof.ca.gov; justyn.howard@dof.ca.gov; 'John.chiang@sco.ca.gov'; Bob Campbell; Julie Bueren; Carrie Ricci (cricc@pw.cccounty.us); Rafael Yaquian; Thomas Geiger; RedevelopmentAdministration@dof.ca.gov
Subject: Contra Costa County LRPMP -additional information

Nichelle:

Please see the attached letter describing Contra Costa County Successor Agency's position on the transfer of public use properties.

Maureen Toms, AICP
Contra Costa County
Department of Conservation and Development

30 Muir Road
Martinez, CA 94553
925-674-7878



CONTRA COSTA COUNTY
DEPARTMENT OF CONSERVATION & DEVELOPMENT
30 Muir Road
Martinez, CA 94553
Telephone: (925) 674-7878

TO: Oversight Board

FROM: Maureen Toms, AICP, Successor Agency Program Manager

DATE: September 24, 2014

SUBJECT: Agenda Item 5a, Adoption of the Recognized Obligation Payment Schedule for January – June 2015 (ROPS 14-15B)

Recommendation

ADOPT Resolution No. 2014-4 approving the Recognized Obligation Payment Schedule for January – June 2015 ("ROPS 14-15B").

Background

The ROPS 14-15B is due to the State Department of Finance (the "DOF") by October 3, 2014. ROPS 14-15B is scheduled to be considered by the Successor Agency on September 23, 2014.

Resolution No. 2014-4 (see Attachment A) includes approving the ROPS 14-15B (see Attachment B). As required under Health and Safety Code Section 34179.6, ROPS 14-15B will be submitted to the DOF, the County Administrator and the Contra Costa County Auditor-Controller and posted on the Successor Agency's website in accordance with the requirements thereunder.

ROPS 14-15B authorizes all payments to be made by the Successor Agency for enforceable obligations for the six-month time period between January 1, 2015 and June 30, 2015. The payments noted on the ROPS are estimates. In most cases, assumptions made for ROPS 14-15B were based on actual expenditures in the prior ROPS and expected expenditures in ROPS 14-15B.

The title page of ROPS 14-15B shows that enforceable obligations require \$4,891,183 from the Redevelopment Property Tax Trust Fund (the "RPTTF"). This amount assumes the RPTTF has already set aside pass-through payments to taxing entities and administrative costs for the County Auditor-Controller. In cases where the Auditor-Controller determines that RPTTF revenue is not sufficient to meet ROPS obligations, the Auditor Controller will make distributions from the RPTTF according to the priorities established by the Dissolution Act. These priorities are as follows: 1) tax allocation bond debt service payments, 2) pass thru payments, 3) other ROPS obligations, and 4) administrative allowance. In a case where there is residual RPTTF after payment of these priorities, this residual revenue would be distributed to the taxing entities located in the former project area based on their tax rates for that area.

On July 18, 2013, the DOF issued the Successor Agency a "finding of completion" pursuant to Health and safety Code Section 34179.7. As a result of the issuance of the finding of completion, the Successor Agency is authorized to: (1) place loan agreements between the Dissolved RDA and the County on the ROPS and (2) utilize proceeds derived from bonds issued prior to January 1, 2011, in a manner consistent with the original bond covenants. ROPS 13-14B included the relisting of several bond funded projects, including project management costs, as allowed under Section 34191.4(c).

ROPS 13-14B relisted several bond-funded projects; including project management costs as allowed under Section 34191.4(c) which were rejected by DOF in the prior ROPS (see Lines 10, 14, 17, 20, 21, 22, 23, 24, 95). Line items 20, 22, 23, and 95 have since retired. In addition to the bond-funded projects, ROPS 13-14B also committed housing bond proceeds derived from indebtedness obligations that were issued prior to January 1, 2011 to fund affordable housing projects as authorized under Health and Safety Code Section 34176(g)(1) (Lines 111 through 120), which have since been retired. The housing bond proceeds were committed to affordable housing projects consistent with the housing bond covenants through subsequent action by the Housing Successor.

There are currently two outstanding loans from the County that need repayment, including the Montalvin Manor loan (#59) and State Supplemental Educational Revenue Fund (SERAF) repayment (#74). According to Section 34191.4.(b)(2)(A), the maximum repayment amount authorized each fiscal year for repayments must be equal to one-half of the increase between the amount distributed to the taxing in a particular fiscal year and the amount distributed to taxing entities pursuant to that paragraph in the 2012–13 base year. In the base year of 2012-13, the County Auditor-Controller made a total residual distribution of \$359,755.05 and no residual distribution was made in January 2013. The County Auditor-Controller made a total residual distribution of \$359,395.52 for 2013-14, with no residual distribution in January 2014. The residual distribution in July 2014 was \$1,266,297. The residual distribution for January 2015 will be added to the July 2014 distribution in order to calculate the amount available for loan repayment in the ROPS 15-16A period. Since the SERAF loan was borrowed from the low and moderate income housing fund (LMIHF), it will need to be repaid before other loans, as required by statute.

ROPS 13-14B also relisted the Fiscal Agreement with the East Bay Regional Park District (EBRPD) (see Line 65). The DOF again denied this item in ROPS 13-14B, but indicated it would be eligible for reimbursement after the improvements proposed for the EBRPD's Lone Tree Point property are completed. The enforceable obligation is listed on ROPS 14-15B with \$14,500 of RPTTF funds requested.

ATTACHMENTS

Attachment A – Resolution 2014-4

Attachment B –Recognized Obligation Payment Schedule for January–June 2015 (ROPS 14-15B)

Attachment C – Annotated Liability Descriptions of Enforceable Obligations Scheduled for
Payment for January – June 2015

RESOLUTION NO. 2014-4

IN THE MATTER OF THE OVERSIGHT BOARD FOR THE COUNTY OF CONTRA COSTA SUCCESSOR AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JULY THROUGH DECEMBER 2014.

WHEREAS, the California state legislature enacted Assembly Bill x1 26 (the "Dissolution Act") to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.); and

WHEREAS, on January 17, 2012 and pursuant to Health and Safety Code Section 34173, the Board of Supervisors of the County of Contra Costa (the "Board of Supervisors") declared that the County of Contra Costa, a political subdivision of the State of California (the "County"), would act as successor agency (the "Successor Agency") for the dissolved Redevelopment Agency of the County of Contra Costa (the "Dissolved RDA") effective February 1, 2012; and

WHEREAS, on February 1, 2012, the RDA was dissolved pursuant to Health and Safety Code Section 34172; and

WHEREAS, the Dissolution Act provides for the appointment of an oversight board (the "Oversight Board") with specific duties to approve certain Successor Agency actions pursuant to Health and Safety Code Section 34180 and to direct the Successor Agency in certain other actions pursuant to Health and Safety Code Section 34181; and

WHEREAS, pursuant to Assembly Bill 1484 enacted June 27, 2012 to amend various provisions of the Dissolution Act, the Successor Agency is now declared to be a separate legal entity from the County of Contra Costa; and

WHEREAS, on July 18, 2013, the Department of Finance issued the Successor Agency a "finding of completion" pursuant to Health and Safety Code Section 34179.7 and as a result of the issuance of the finding of completion, pursuant to 34191.4 the Successor Agency is authorized to: (1) place loan agreements between the Dissolved RDA and the County on the Recognized Obligation Payment Schedule ("ROPS") and (2) utilize proceeds derived from bonds issued prior to January 1, 2011, in a manner consistent with the original bond covenants; and

WHEREAS, Successor Agency staff prepared and on September 23, 2014, the Board of Supervisors, acting as the governing board of the Successor Agency, approved the Recognized Obligation Payment Schedule for the period July 1 through December 31, 2014 (the "Proposed ROPS 14-15B"), by adoption of Resolution No. 2014-347; and

WHEREAS, the Proposed ROPS 14-15B must be submitted by the Successor Agency to the Oversight Board for the Oversight Board's approval in accordance with the Dissolution Act; and

WHEREAS, in accordance with Health and Safety Section 34179.6, the Proposed ROPS 14-15B was submitted by the Successor Agency to the Contra Costa County Administrative Officer, the Contra Costa County Auditor-Controller, and the State Department of Finance; and

WHEREAS, the Successor Agency is charged with paying for and completing the enforceable obligations of the Dissolved RDA (each as further defined in Health and Safety Code Section 34171(d)), disposing of the properties and other assets of the Dissolved RDA, and unwinding the affairs of the Dissolved RDA; and

WHEREAS, to pay the Enforceable Obligations and facilitate the unwinding of the Dissolved RDA, the Successor Agency has prepared Recognized Obligation Payment Schedules for seven successive six-month periods covering in the aggregate the periods from January 1, 2012 through June 30, 2015 (collectively with the Proposed ROPS 14-15B, the "ROPS's") pursuant to Health and Safety Code Section 34177(1); and

WHEREAS, in accordance with Health and Safety Code Section 34177.3(b) the Successor Agency may create enforceable obligations to conduct the work of winding down the Dissolved RDA, such as the Agreement; and

WHEREAS, the accompanying staff report provides supporting information upon which the actions set forth in this Resolution are based.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board of the Successor Agency hereby finds, resolves, approves, and determines that the foregoing recitals are true and correct, and together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions and determinations set forth below.

BE IT FURTHER RESOLVED that under Health and Safety Code Section 34180(g), the Oversight Board must approve establishment of a ROPS for the Successor Agency.

BE IT FURTHER RESOLVED in accordance with the Dissolution Act, the Oversight Board hereby approves ROPS 14-15B in the form on file with the Oversight Board's Designated Contact Official (the "ROPS 14-15B"), including the agreements and obligations described on the ROPS 14-15B, and hereby determines that such agreements and obligations constitute "enforceable obligations" and "recognized obligations" for all purposes of the Dissolution Act. In connection with such approval, the Oversight Board makes the specific findings set forth below.

BE IT FURTHER RESOLVED that the Oversight Board has examined the items on the ROPS 14-15B and finds that each of them is necessary for the continued maintenance and preservation of property owned by the Successor Agency until disposition in accordance with the terms of the Dissolution Act, the continued administration of the ongoing enforceable obligations herein approved by the Oversight Board, or the expeditious wind-down of the affairs of the Dissolved RDA by the Successor Agency.

BE IT FURTHER RESOLVED that the Successor Agency is authorized and directed to enter into any agreements and amendments to agreements necessary to memorialize and implement the agreements and obligations in the ROPS 14-15B and herein approved by the Oversight Board, including but not limited to the Agreement.

BE IT FURTHER RESOLVED that Oversight Board hereby authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to file, post, mail or otherwise deliver via electronic mail, internet posting, and/or hardcopy, all notices and transmittals necessary or convenient in connection with the approval of ROPS 14-15B, and to take any other actions necessary to ensure the validity ROPS 14-15B and the validity of any enforceable obligation listed thereon.

BE IT FURTHER RESOLVED that this Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

MARTINEZ, CALIFORNIA, September 24, 2014

ADOPTED BY THE FOLLOWING VOTE:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ATTEST:

Oversight Board Secretary

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Recognized Obligation Payment Schedule (ROPS 14-15B) - Summary

Filed for the January 1, 2015 through June 30, 2015 Period

Name of Successor Agency: Contra Costa County
Name of County: Contra Costa

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding		
A Sources (B+C+D):		\$ 3,954,704
B Bond Proceeds Funding (ROPS Detail)		2,377,042
C Reserve Balance Funding (ROPS Detail)		1,577,662
D Other Funding (ROPS Detail)		-
E Enforceable Obligations Funded with RPTTF Funding (F+G):		\$ 4,891,183
F Non-Administrative Costs (ROPS Detail)		4,843,209
G Administrative Costs (ROPS Detail)		47,974
H Current Period Enforceable Obligations (A+E):		\$ 8,845,887

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I Enforceable Obligations funded with RPTTF (E):		4,891,183
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)		-
K Adjusted Current Period RPTTF Requested Funding (I-J)		\$ 4,891,183

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L Enforceable Obligations funded with RPTTF (E):		4,891,183
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)		-
N Adjusted Current Period RPTTF Requested Funding (L-M)		4,891,183

Certification of Oversight Board Chairman:
Pursuant to Section 34177 (m) of the Health and Safety code, I
hereby certify that the above is a true and accurate Recognized
Obligation Payment Schedule for the above named agency.

Name	Title
/s/	
Signature	Date

Recognized Obligation Payment Schedule (ROPS 14-15B) - ROPS Detail January 1, 2015 through June 30, 2015 (Report Amounts in Whole Dollars)															
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Funding Source					Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
								\$ 223,832,603		\$ 2,377,042	\$ 1,577,662	\$ -	\$ 4,843,209	\$ 47,974	\$ 8,845,887
2	1:5 Homebuyer Resale Transaction	Property	5/15/2007	12/29/2028	Contra Costa County	Acquisition/rehabilitation	BP,NR,R		Y						-
4	1:9 Youth Homes Facility	OPA/DDA/Construction	6/25/2008	12/29/2028	Contra Costa County	Relocation costs	BP	55,037	N		55,037				55,037
7	1:14 Contracts - Relocation/Maintenance	OPA/DDA/Construction	6/15/2006	12/29/2028	Contra Costa County	Orbisonia Heights	BP		Y	-					-
10	2:3 Placemaking Transit Village	OPA/DDA/Construction	12/19/2005	7/10/2026	AvalonBay	Placemaking improvements (e.g, parks, etc)	C	565,733	N	565,733					565,733
14	2:8 Re-authorized Contract for Capital Imprv	Improvement/Infrastructure	4/18/2012	7/10/2026	Contra Costa County	CCC Infrastructure improvements	C	1,075,899	N	1,075,899					1,075,899
17	2:12 Re-authorized Contract for Improvements	Improvement/Infrastructure	4/18/2012	7/14/2028	Contra Costa County	NR Industrial infrastructure improv	NR	5,510	N	5,510					5,510
21	2:18 Re-authorized Contract for Improvements	Improvement/Infrastructure	4/18/2012	7/10/2031	Contra Costa County	RO obsolete infrastructure elements	R	729,575	N	729,575					729,575
23	2:23 Bond Project Management	Project Management Costs	7/1/2011	7/14/2028	Contra Costa County	Payroll for employees Project management costs	NR	-	Y						-
24	2:24 Bond Project Management	Project Management Costs	7/1/2011	7/10/2031	Contra Costa County	Payroll for employees Project management costs	R	-	Y						-
28	3:29 Property holding costs	Property Maintenance	7/10/1984	6/30/2013	CCC Public Works	Property maintenance	ALL	5,682	N	325	5,357				5,682
46	5:24 Placemaking Transit Village	OPA/DDA/Construction	12/19/2005	7/10/2026	AvalonBay	Placemaking improvements (ie parks, etc)	C	384,213	N		384,213				384,213
54	7:1 1999 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	4/20/1999	8/1/2018	US Bank NA	Bonds issue to fund non-housing projects. Put note bal as of 2/1/14	C/BP/NR/R	12,174,147	N				449,538		449,538
55	7:2 1999 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	4/20/1999	8/1/2018	US Bank NA	Bonds issue to fund housing projects. Put note bal as of 2/1/14	C/BP/NR/R	146,493	N				14,837		14,837
56	7:3 2003A Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	8/22/2003	8/1/2033	US Bank NA	Bonds issue to fund non-housing projects.	C	10,539,920	N				250,009		250,009
57	7:4 2007A/AT/B Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	5/30/2007	8/1/2037	US Bank NA	Bonds issue to fund non-housing projects.	ALL	117,556,420	N				2,617,402		2,617,402
58	7:5 2007A/AT/B Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	5/30/2007	8/1/2037	US Bank NA	Bonds issue to fund housing projects.	ALL	24,721,325	N				476,233		476,233
59	7:6 Montalvin Manor Project Start Up Loan	City/County Loans On or Before 6/27/11	6/30/2003	7/8/2034	Contra Costa County	Loan for project administration	M	293,006	N						-
60	7:7 Bond-License agreement	Professional Services	3/31/2006	3/31/2038	DAC	Document repository for bond issues	ALL	46,000	N		500		2,000		2,500
61	7:8 Bond-Treasurer fees	Fees	7/10/1984	8/1/2037	CCC Treasurer	Cash management for bond issues	ALL	5,028	N		594				594
63	7:11 Hookston Station Remediation	Litigation	11/5/1997	8/1/2037	Bank Of Amer, Trustee	Remediation of hazardous material	C	1,286,000	N		10,000				10,000
65	7:13 Fiscal Agreement	Improvement/Infrastructure	5/8/1990	7/10/2031	EBRPD	Project improvement	R	500,000	N				14,500		14,500
68	7:16 Trustee fees	Fees	4/20/1999	8/1/2018	US Bank	Annual administration fees 99TAB	C/BP/NR/R	34,257	N		45				45
69	7:17 Trustee fees	Fees	8/22/2003	8/1/2033	US Bank	Annual administration fees 03ATAB	C/BP/NR/R	70,823	N		2,795				2,795
71	7:19 Trustee fees	Fees	5/30/2007	8/1/2037	US Bank	Annual administration fees 07TAB	ALL	127,215	N		5,890				5,890
74	7:22 SERAF	SERAF/ERAF	5/10/2010	7/10/2031	Housing Fund	SERAF fy 2010-11 payment	BP/R	500,717	N				-		-
76	7:24 Financial Assistance	OPA/DDA/Construction	5/23/1989	5/1/2017	Park Regency	Agency assistance	C	2,200,000	N		275,000		275,000		550,000
77	7:25 Financial Assistance	OPA/DDA/Construction	11/1/1998	11/1/2053	Bridge Housing	Agency assistance	C	1,700,000	N				50,000		50,000
78	7:26 Financial Assistance	OPA/DDA/Construction	12/19/2005	5/1/2064	AvalonBay	Agency assistance.	C	41,464,457	N		696,122		631,690		1,327,812
82	8:19 I H Trail/Hookston Sttn Remediatn	Litigation	8/15/2012	12/31/2013	Goldfarb Lipman	Remediation of I H corridor parcels	C	46,972	N		46,972				46,972
83	8:20 I H Trail/Hookston Sttn Remediatn	Litigation	8/15/2012	5/1/2064	Contra Costa County	Remediation of I H corridor parcels	C	24,829	N		24,829				24,829
85	8:22 Technical Assistance	Professional Services	7/10/1984	7/10/2031	Public Works Department	Technical Assist for non-housing projects	ALL	30,000	N		30,000				30,000
87	8:24 Iron Horse Trail properties	Project Management Costs	1/1/2013	5/1/2064	Contra Costa County	Payroll for employeesProject management costs.	C	5,000	N				5,000		5,000

Recognized Obligation Payment Schedule (ROPS 14-15B) - ROPS Detail January 1, 2015 through June 30, 2015 (Report Amounts in Whole Dollars)															
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Funding Source					Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
88	8:25 Transit Village	OPA/DDA/Construction	8/15/2012	12/31/2013	Goldfarb & Lipman	Transit Village implementation	C	34,474	N		20,000				20,000
89	8:26 Transit Village	OPA/DDA/Construction	8/15/2012	5/1/2064	Contra Costa County	Payroll for employeesProject management costs.	C	70,000	N				15,000		15,000
91	8:28 Hookston Station Remediation	Litigation	1/23/2012	6/15/2015	Ensafe	Administrator of haz-mat remediation fund.	C	26,014	N		8,400				8,400
92	8:29 Tri City Remediation	Remediation	1/7/2011	7/10/2036	Contra Costa County	Payroll for employeesProject management costs.	C	10,000	Y						-
94	6:0 Adminstrative Allowance	Admin Costs	7/1/2013	5/1/2064	Contra Costa County	Adminstrative Allowance ROPS 2014-15A	All	6,992,000	N					47,974	47,974
104	10:02 Iron Horse (IH) Corridor Remediation and property management	Remediation	7/1/2013	5/1/2064	Contra Costa County	Management of IH Corridor properties, including maintenance, remediation, and preparation of property transfer.	C	169,601	N				22,000		22,000
105	10:03 IH Corridor Remediation and property management	Remediation	7/1/2013	5/1/2064	Contra Costa County	Management of IH Corridor properties, including maintenance, remediation, and preparation of property transfer.		20,000	N				20,000		20,000
108	10:06 Litigation Costs for Defaulted Loans	Litigation	6/30/2011	7/10/2031	CCC Counsel	Litigation costs to collect on default SA outstanding notes receivables (from Vallero, Keefe).	ALL	5,000	N		5,000				5,000
109	10:07 Bond Arbitrage Rebate Reporting Compliance	Fees	7/1/2011	6/30/2014	BLX Group LLC	Arbitrage Rebate Compliance Services	ALL	69,256	N		2,900				2,900
110	10:08 Disclosure Statements Reporting Compliance	Fees	4/20/1999	3/1/2038	Jones Hall	Disclosure Statements Compliance Services	ALL	142,000	N		4,008				4,008
122	10:20 Unfunded (approved) Enforceable Obligations from ROPS 13-14B	RPTTF Shortfall	7/1/2014	12/31/2014	Successor Agency	ROPS 13-14B unpaid allowance.	ALL	-	Y						-
123															-
124									N						-
125									N						-
126									N						-
127									N						-
128									N						-
129									N						-
130									N						-
131									N						-
132									N						-
133									N						-
134									N						-
135									N						-
136									N						-
137									N						-
138									N						-
139									N						-
140									N						-
141									N						-
142									N						-
143									N						-
144									N						-
145									N						-
146									N						-
147									N						-
148									N						-
149									N						-
150									N						-
151									N						-
152									N						-
153									N						-
154									N						-

Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Cash Balances
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see https://rad.dof.ca.gov/rad-sa/pdf/Cash_Balance_Agency_Tips_Sheet.pdf .								
A	B	C	D	E	F	G	H	I
Cash Balance Information by ROPS Period		Fund Sources						NOTES
		Bond Proceeds		Reserve Balance		Other	RPTTF	
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, Grants, Interest, Etc.	Non-Admin and Admin	
ROPS 13-14B Actuals (01/01/14 - 06/30/14)								
1	Beginning Available Cash Balance (Actual 01/01/14)	12,572,875		1,605,121	860,568	799	762,217	
2	Revenue/Income (Actual 06/30/14) RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014	1,023,002		-		15,078	6,095,312	Col. H2 = \$6,095,312 ties to RPTTF received from CAC. Col. G2 = \$15,078 (\$39,746 as bond interest + \$5 Laif Interest (-) \$24,673 cash revenue adjustment). This amount will cover the insufficient RPTTF fund for approved RPTTF-Admin obligation.
3	Expenditures for ROPS 13-14B Enforceable Obligations (Actual 06/30/14) RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q	7,694,671		97,245	860,568	15,877	6,120,322	Col. E3 = \$97,245 actual paid + A/P accrual for approved Reserve Obligation. Col. F3 = \$860,568 is amount of prior period approved reserve paid in 13-14B period. Col G3 = \$15,877 "Other Income" that will cover insufficient RPTTF Admin cost.(\$799 Beg Bal + \$15,078=\$15,877) Col H3=\$6,186,199 less \$15,877 less \$50,000 retention = \$6,120,322. Col H3+H4=\$6,120,322+\$50,000+\$15,877 =\$6,186,199. Note: Col 3 + Col H ties to PPA L+Q or \$6,053,746+\$133,453 = \$6,186,199.
4	Retention of Available Cash Balance (Actual 06/30/14) RPTTF amount retained should only include the amounts distributed for debt service reserve(s) approved in ROPS 13-14B	3,499,582		-			50,000	Col H4=\$50,000. Reported in PPA as actual but being retained and payment is due in 14-15A period.
5	ROPS 13-14B RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 13-14B PPA in the Report of PPA, Column S	No entry required						
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	2,401,624	-	1,507,876	-	-	687,207	
ROPS 14-15A Estimate (07/01/14 - 12/31/14)								
7	Beginning Available Cash Balance (Actual 07/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	5,901,206	-	1,507,876	50,000	-	687,207	
8	Revenue/Income (Estimate 12/31/14) RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor-Controller during June 2014	-				-	5,191,654	Cell H8: Ties to the approved RPTTF obligations distributed by CAC for Rops 14-15A.
9	Expenditures for ROPS 14-15A Enforceable Obligations (Estimate 12/31/14)	1,483,011		1,165,470	-		4,495,532	Col E9: Approved obligation in Rops 14-15A.
10	Retention of Available Cash Balance (Estimate 12/31/14) RPTTF amount retained should only include the amount distributed for debt service reserve(s) approved in ROPS 14-15A	3,770,337					696,122	Cell H10: Approved RPTTF obligations for the retention for financial assistance agreement.
11	Ending Estimated Available Cash Balance (7 + 8 - 9 -10)	647,858	-	342,406	50,000	-	687,207	

Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Prior Period Adjustments Reported for the ROPS 13-14B (January 1, 2014 through June 30, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a) (Report Amounts in Whole Dollars)																					
ROPS 13-14B Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 13-14B (January through June 2014) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 14-15B (January through June 2015) period will be offset by the SA's self-reported ROPS 13-14B prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.																			T	PPA: To be completed by the CAC upon submittal	
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures											SA Comments	PTTF Expenditure	
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin					Admin and Admin PPA (Amount Used to Offset ROPS 14-15B Requested)			Non-Admin CAC
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)			Net Lesser of Authorized / Available
		\$ 10,353,623	\$ 7,694,671	\$ 1,851,171	\$ 957,813	\$ -	\$ 15,078	\$ 6,339,914	\$ 6,053,746	\$ 6,053,746	\$ 6,053,746	\$ -	\$ 133,174	\$ 41,566	\$ 41,566	\$ 132,453	\$ -	\$ -			
1	1:4 Contract for	-		60,000	60,000	-		-		-		-						-			
2	1:5 Homebuyer Resale	-		8,500	8,500	-		-		-		-						-			
3	1:6 Homebuyer Resale Revolving	-		-	-	-		-		-		-						-			
4	1:9 Youth Homes Facility	-		70,441	201	-		-		-		-						-			
5	1:11 Heritage Point Prop Dispostn Exp	-		120,609	17,833	-		-		-		-						-			
6	1:13 Las Deltas Feasibility	-		-		-		-		-		-						-			
7	1:14 Contracts - Relocation/Maintenance	-		4,739	4,522	-		-		-		-						-			
8	1:17 1250 Las Juntas disposition exp	-		-		-		-		-		-						-			
9	2:2 Iron Horse Trail Overcrossing	-		-		-		-		-		-						-			
10	2:3 Placemaking Transit Village	565,733		-		-		-		-		-						-			
11	2:4 Placemaking Transit Village	-		-		-		-		-		-						-			
12	2:5 BART Replacement Garage	-		-		-		-		-		-						-			
13	2:7 Contract for Community Imprv	-		-		-		-		-		-						-			
14	2:8 Re-authorized Contract for Capital Imprv	162,193		-		-		-		-		-						-			
15	2:9 Contract for Wayfinding Prog	-		-		-		-		-		-						-			
16	2:10 Contract for Wayfinding Prog	-		-		-		-		-		-						-			
17	2:12 Re-authorized Contract for Improvements	1,176,121		-		-		-		-		-						-			
18	2:14 Contract for Relocation Consultant	-		-		-		-		-		-						-			
19	2:16 Contracts - Relocation/Maintenance	-		-		-		-		-		-						-			
20	2:17 Contract for Sewer Improvements	10,962	10,961	-		-		-		-		-						-			
21	2:18 Re-authorized Contract for Improvements	692,858	-	-		-		-		-		-						-			
22	2:22 Bond Project Management	20,000	15,758	-		-		-		-		-						-			
23	2:23 Bond Project Management	20,000		-		-		-		-		-						-			
24	2:24 Bond Project Management	20,000		-		-		-		-		-						-			
25	3:10 Contract for legal services	-		-		-		-		-		-						-			
26	3:11 Contract for financial analysis	-		-		-		-		-		-						-			
27	3:15 Contract for financial advisor	-		-		-		-		-		-						-			

<p align="center">Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Prior Period Adjustments</p> <p align="center">Reported for the ROPS 13-14B (January 1, 2014 through June 30, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)</p> <p align="center">(Report Amounts in Whole Dollars)</p>																				
ROPS 13-14B Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 13-14B (January through June 2014) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 14-15B (January through June 2015) period will be offset by the SA's self-reported ROPS 13-14B prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.																				PPA: To be completed by the CAC upon submittal
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures											SA Comments	PTTF Expenditure
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin					Admin and Admin PPA (Amount Used to Offset ROPS 14-15B Requested)		
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)		
		\$ 10,353,623	\$ 7,694,671	\$ 1,851,171	\$ 957,813	\$ -	\$ 15,078	\$ 6,339,914	\$ 6,053,746	\$ 6,053,746	\$ 6,053,746	\$ -	\$ 133,174	\$ 41,566	\$ 41,566	\$ 132,453	\$ -	\$ -		
28	3:29 Property holding costs	-		5,357	451	-		-		-		-						-		
29	4:1 Hookston Station Remediation	-		-		-		-		-		-						-		
30	4:2 Contract for Planning Activities	-		-		-		-		-		-						-		
31	4:3 Contract for Planning Activities	-		-		-		-		-		-						-		
32	4:4 Contract for Planning Activities	-		-		-		-		-		-						-		
33	4:7 Transit Village (TV) Consultant Fee	-		-		-		-		-		-						-		
34	4:9 Hookston Business Relocation	-		-		-		-		-		-						-		
35	4:10 Placemaking Civic Use	-		-		-		-		-		-						-		
36	4:11 Walden I Upgrade	-		-		-		-		-		-						-		
37	4:12 Contract for Busn Relocation	-		-		-		-		-		-						-		
38	4:13 Heritage Point Land	-		-		-		-		-		-						-		
39	4:16 County Child Care Mitigation	-		-		-		-		-		-						-		
40	4:17 Loan Program	-		-		-		-		-		-						-		
41	4:26 189-199 Parker	-		-		-		-		-		-						-		
42	4:27 Walden II Remediation	-		-		-		-		-		-						-		
43	4:28 Walden II Remediation	-		-		-		-		-		-						-		
44	5:4 Hookston Station Remediation	-		-		-		-		-		-						-		
45	5:23 Placemaking Transit Village	-		-		-		767,500	767,500	767,500	767,500	-						-		
46	5:24 Placemaking Transit Village	-		640,362		-		-		-		-						-		
47	5:27 Various Admin expenses	-		-		-		-		-		-						-		
48	5:28 Contract for accounting	-		-		-		-		-		-						-		
49	5:29 Legal fees	-		-		-		-		-		-						-		
50	6:1 Lease (30 Muir)	-		-		-		-		-		-						-		
51	6:3 Employee costs	-		-		-		-		-		-						-		
52	6:9 Contract for legal services	-		-		-		-		-		-						-		
53	6:10 Contract for accounting	-		-		-		-		-		-						-		
54	7:1 1999 Tax Allocation Bonds	-		-		-		451,270	451,065	451,065	451,065	-						-		
55	7:2 1999 Tax Allocation Bonds	-		-		-		15,473	15,473	15,473	15,473	-						-		

Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Prior Period Adjustments Reported for the ROPS 13-14B (January 1, 2014 through June 30, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a) (Report Amounts in Whole Dollars)																					
ROPS 13-14B Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 13-14B (January through June 2014) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 14-15B (January through June 2015) period will be offset by the SA's self-reported ROPS 13-14B prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.																			T	PPA: To be completed by the CAC upon submittal	
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures											SA Comments	PTTF Expenditure	
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin					Admin and Admin PPA (Amount Used to Offset ROPS 14-15B Requested)			Non-Admin CAC
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)			
		\$ 10,353,623	\$ 7,694,671	\$ 1,851,171	\$ 957,813	\$ -	\$ 15,078	\$ 6,339,914	\$ 6,053,746	\$ 6,053,746	\$ 6,053,746	\$ -	\$ 133,174	\$ 41,566	\$ 41,566	\$ 132,453	\$ -	\$ -			
56	7:3 2003A Tax Allocation Bonds	-		-		-		251,634	251,462	251,462	251,462	-						-			
57	7:4 2007A/AT/B Tax Allocation Bonds	-		-		-		2,959,470	2,800,957	2,800,957	2,800,957	-						-			
58	7:5 2007A/AT/B Tax Allocation Bonds	-		-		-		476,855	475,124	475,124	475,124	-						-			
59	7:6 Montalvin Manor Project Start Up Loan	-		-		-		-		-		-						-			
60	7:7 Bond-License agreement	-		-		-		2,000	1,500	1,500	1,500	-						-			
61	7:8 Bond-Treasurer fees	-		594	9	-		-		-		-						-			
62	7:9 Bond-Accounting fees	-		-		-		-		-		-						-			
63	7:11 Hookston Station Remediation	-		-		-		-		-		-						-			
64	7:12Tri City Remediation	-		-		-		-		-		-						-			
65	7:13 Fiscal Agreement	-		-		-		-		-		-						-			
66	7:14 Loan for Wildcat/San Pablo	-		-		-		-		-		-						-			
67	7:15 Trustee fees	-		-		-		-		-		-						-			
68	7:16 Trustee fees	-		-		-		205		-		-						-			
69	7:17 Trustee fees	-		-		-		-		-		-						-			
70	7:18 Trustee fees	-		-		-		-		-		-						-			
71	7:19 Trustee fees	-		-		-		-		-		-						-			
72	7:20 LMIF Monitorring (rental)	-		-		-		-		-		-						-			
73	7:21 LMIF Monitorring (ownership)	-		-		-		-		-		-						-			
74	7:22 SERAF	-		-		-		-		-		-						-			
75	7:23 Town Center/Housing	-		-		-		-		-		-						-			
76	7:24 Financial Assistance	-		275,000	275,000	-		275,000	275,000	275,000	275,000	-						-			
77	7:25 Financial Assistance	-		-		-		50,000	50,000	50,000	50,000	-						-			
78	7:26 Financial Assistance	-		585,568	585,568	-		806,676	742,244	742,244	742,244	-						-			
79	7:27 Contract for accounting	-		-		-		-		-		-						-			
80	7:30 Property taxes	-		-		-		-		-		-						-			
81	7:32 Property maintenance costs	-		-		-		-		-		-						-			
82	8:19 I H Trail/Hookston Sttn Remediatn	-		47,672	700	-		-		-		-						-			
83	8:20 I H Trail/Hookston Sttn Remediatn	-		12,329	5,029	-		12,500	-	-	-	-						-			
84	8:21 I H Trail/Hookston Sttn Remediatn	-		-		-		75,000	75,000	75,000	75,000	-						-			
85	8:22 Technical Assistance	-		-		-		30,000	-	-	-	-						-			
86	8:23 Contract for legal services	-		-		-		-		-		-						-			
87	8:24 Iron Horse Trail properties	-		-		-		5,000	4,998	4,998	4,998	-						-			
88	8:25 Transit Village	-		20,000		-		-		-		-						-			
89	8:26 Transit Village	-		-		-		15,000	15,000	15,000	15,000	-						-			

<p align="center">Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Prior Period Adjustments Reported for the ROPS 13-14B (January 1, 2014 through June 30, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a) (Report Amounts in Whole Dollars)</p>																				
ROPS 13-14B Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 13-14B (January through June 2014) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 14-15B (January through June 2015) period will be offset by the SA's self-reported ROPS 13-14B prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.																				PPA: To be completed by the CAC upon submittal
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures											SA Comments	PTTF Expenditure
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin					Admin and Admin PPA (Amount Used to Offset ROPS 14-15B Requested)		
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)		
		\$ 10,353,623	\$ 7,694,671	\$ 1,851,171	\$ 957,813	\$ -	\$ 15,078	\$ 6,339,914	\$ 6,053,746	\$ 6,053,746	\$ 6,053,746	\$ -	\$ 133,174	\$ 41,566	\$ 41,566	\$ 132,453	\$ -	\$ -		
90	8:27 Principal/Interest fy2007-2011	-		-		-		-		-		-						-		
91	8:28 Hookston Station Remediation	-		-		-		6,000	-	-	-	-						-		
92	8:29 Tri City Remediation	-		-		-		10,000	10,000	10,000	10,000	-						-		
93	8:30 Mgmt of Housing Projects	-		-		-		-		-		-						-		
94	6:0 Adminstrative Allowance	-		-		-		-		-		-				132,453		-		
95	2:12 Contract for Improvements	-		-		-		-		-		-						-		
96	7:20 LMIF Monitorring (rental)	-		-		-		-		-		-						-		
97	7:21 LMIF Monitorring (ownership)	-		-		-		-		-		-						-		
98	8:23 Contract for legal services	-		-		-		-		-		-						-		
99	8:30 Management of Projects	-		-		-		-		-		-						-		
100	9:01 Tri City Remediation (7:12) Phase II	-		-		-		-		-		-						-		
101	9:02 Iron Horse Overcrossing 2:2 (Lighting change order)	-		-		-		-		-		-						-		
102	9:03 Contract for Sewer Improvements 2:17 (change order)	-		-		-		-		-		-						-		
103	10:01 Return of funds	-		-		-		-		-		-						-		
104	10:02 Iron Horse (IH) Corridor Remediation and property management	-		-		-		20,000	20,000	20,000	20,000	-						-		
105	10:03 IH Corridor Remediation and property management	-		-		-		-		-		-						-		
106	10:04 Return of Funds	-		-		-		-		-		-						-		
107	10:05 Return of funds	-		-		-		-		-		-						-		
108	10:06 Litigation Costs for Defaulted Loans	-		-		-		5,000		-		-						-		
109	10:07 Bond Arbitrage Rebate Reporting Compliance	-		-		-		5,000	2,100	2,100	2,100	-						-		
110	10:08 Disclosure Statements Reporting Compliance	-		-		-		5,000	992	992	992	-						-		
111	10:09 Bay Point Housing Project (Orbisonia Heights) Management	3,510,699	3,505,033	-		-		-		-		-						-		
112	10:10 Rodeo Housing Project (Town Center) Management	2,679,523	2,673,172	-		-		-		-		-						-		

Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Prior Period Adjustments Reported for the ROPS 13-14B (January 1, 2014 through June 30, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a) (Report Amounts in Whole Dollars)																				
ROPS 13-14B Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 13-14B (January through June 2014) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 14-15B (January through June 2015) period will be offset by the SA's self-reported ROPS 13-14B prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.																				PPA: To be completed by the CAC upon submittal
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures											SA Comments	PTTF Expenditure
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin					Admin and Admin PPA (Amount Used to Offset ROPS 14-15B Requested)		Non-Admin CAC
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)		Net Lesser of Authorized / Available
		\$ 10,353,623	\$ 7,694,671	\$ 1,851,171	\$ 957,813	\$ -	\$ 15,078	\$ 6,339,914	\$ 6,053,746	\$ 6,053,746	\$ 6,053,746	\$ -	\$ 133,174	\$ 41,566	\$ 41,566	\$ 132,453	\$ -	\$ -		
113	10:11 North Richmond Housing Project (Heritage Point) Management	437,632	432,362	-		-		-		-		-						-		
114	10:12 Montalvin Manor Housing Project Management	516,597	516,480	-		-		-		-		-						-		
115	10:13 infrastructure/Project Management	541,305	540,905	-		-		-		-		-						-		
116	10:14 Bay Point Restricted Unspent Bond Proceeds	-		-		-		-		-		-						-		
117	10:15 North Richmond Restricted Unspent Bond Proceeds	-		-		-		-		-		-						-		
118	10:16 Rodeo Restricted Unspent Bond Proceeds	-		-		-		-		-		-						-		
119	10:17 Return of Funds to LMIHAF (Housing Successor)	-		-		-		-		-		-						-		
120	10:18 Return of funds to LMIHAF (Housing Successor)	-		-		-		-		-		-						-		
121	10:19 Unfunded approved administrative costs allowance	-		-			15,078	95,331	95,331	95,331	95,331	-						-	Other Funds used to pay against RPTTF Admin expenditures	

Recognized Obligation Payment Schedule (ROPS 14-15B) - Notes
January 1, 2015 through June 30, 2015

Item #	Notes/Comments
4	1:9 Youth Homes Facility. All anticipated funding for this item was previously shown on a previously approved Recognized Obligation Payment Schedule (ROPS). No additional funding is requested in connection with this ROPS 14-15B. However, not all of the funds approved on previous approved ROPS were actually spent during the period ending June 30, 2014 due to delays in project approval, contracting or implementation. By this note, it is indicated that some of the funds designated for this item on a previously approved ROPS may actually be carried forward and spent during some or all the months of this ROPS 14-15B period. For total outstanding debt or obligation, amount shown is as per most recent information as of July 1, 2014. Use of LMIHF balances retained to cover future obligations in accordance with Finance's LMIHF DDR determination.
10	2:3 Placemaking Transit Village: All anticipated funding for this item was previously shown on a previously approved ROPS. No additional funding is requested in connection with this ROPS 14-15B. However, not all of the funds approved on previous approved ROPS were actually spent during the period ending June 30, 2014, due to delays in project approval, contracting or implementation. By this note, it is indicated that some of the funds designated for this item on a previously approved ROPS may actually be carried forward and spent during some or all the months of this ROPS 14-15B period. For total outstanding debt or obligation, amount shown is as per most recent information as of July 1, 2014.
14	2:8 CCC Infrastructure Improvements: \$1,075,899 of unspent bond proceeds is being requested for this ROPS period. Although the CCC Public Works Department is listed as the payee, the Successor Agency may contract directly with subcontractors for specific areas of the scope.
17	2:12 Re-authorized Contract for North Richmond Infrastructure Improvements:
21	2:18 Rodeo Obsolete Infrastructure Elements: All anticipated funding for this item was previously shown on a previously approved ROPS. No additional funding is requested in connection with this ROPS 14-15B. However, not all of the funds approved on previous approved ROPS were actually spent during the period ending June 30, 2014 due to delays in project approval, contracting or implementation. By this note, it is indicated that some of the funds designated for this item on a previously approved ROPS may actually be carried forward and spent during some or all the months of this ROPS 14-15B period. For total outstanding debt or obligation, amount shown is as per most recent information as of July 1, 2014.
28	3:29 Property Holding Costs. this ROPS 14-15B period. For total outstanding debt or obligation, amount shown is as per most recent information as of July 1, 2014. Unspent bond proceeds also programs for a portion of these expences. Use of other Funds and Accounts (OFA) balances retained to cover future obligations in accordance with Finance's OFA DDR Determination.
46	5:24 Placemaking Transit Village (AvalonBay). All anticipated funding for this item was previously shown on a previously approved Recognized Obligation Payment Schedule (ROPS). No additional funding is requested in connection with this ROPS 14-15B. However, not all of the funds approved on previous approved ROPS were actually spent during the period ending June 30, 2014 due to delays in project approval, contracting or implementation. By this note, it is indicated that some of the funds designated for this item on a previously approved ROPS may actually be carried forward and spent during some or all the months of this ROPS 14-15B period. For total outstanding debt or obligation, amount shown is as per most recent information as of July 1, 2014. Carryover of a preceding ROPS period RPTTF for use in this ROPS period.
54	7:1 1999 Tax Allocation Bonds: Amount calculated in 50% principal plus interest and was based on most recent information as of August 1, 2014.
55	7:2 1999 Tax Allocation Bonds: Amount calculated is 50% principal plus interest and was based on most recent information as of August 1, 2014.
56	7:3 2003A Tax Allocation Bonds: Amount calculated is 50% principal plus interest and was based on most recent information as of August 1, 2014.
57	7:4 2007A/AT/B Tax Allocation Bonds: Amount calculated is 50% principal plus interest and was based on most recent information as of August 1, 2014.
58	7:5 2007A/AT/B Tax Allocation Bonds: Amount calculated is 50% principal plus interest and was based on most recent information as of August 1, 2014.
59	7:6 Montalvin Manor Project Start Up Loan
60	7:7 Bond-License agreement
61	7:8 Bond-Treasurer fees.
63	7:11 Hookston Station Remediation
65	7:13 Fiscal Agreement with East Bay Regional Park District in the amount of \$500,000. The first request for reimbursement is in the ROPS 14-15B.
68	7:16 Trustee fees.
69	7:17 Trustee fees.
71	7:19 Trustee fees.
74	7:22 SERAF
76	7:24 Financial Assistance for Park Regency. For ROPS 14-15B, the requested funding is \$275,000 in Reserve and \$275,000 in RPTTF. The annual payment is made during the second half of the fiscal year.
77	7:25 Financial Assistance for BRIDGE Housing: \$50,000 in RPTTF funds are requested. The full \$100,000 annual payment is made during the first half of the fiscal year.

Recognized Obligation Payment Schedule (ROPS 14-15B) - Notes
January 1, 2015 through June 30, 2015

Item #	Notes/Comments
78	7:26 Financial Assistance for Avalon Bay. For ROPS 14-15B \$631,690 in RPTTF funds and \$696,122 in reserve funds are requested. The annual payment is paid in the second half of the fiscal year
82	8:19 Iron Horse Trail/Hookston Station Remediation (Goldfarb Lipman): All anticipated funding for this item was previously shown on a previously approved ROPS. No additional funding is requested in connection with this ROPS 14-15B. However, not all of the funds approved on previous approved ROPS were actually spent during the period ending June 30, 2014 due to delays in project approval, contracting or implementation. By this note, it is indicated that some of the funds designated for this item on a previously approved ROPS may actually be carried forward and spent during some or all the months of this ROPS 14-15B period. For total outstanding debt or obligation, amount shown is as per most recent information as of July 1, 2014. Carryover of a preceding ROPS period RPTTF for use in this ROPS period.
83	8:20 Iron Horse Trail/Hookston Station Remediation (County Counsel): All anticipated funding for this item was previously shown on a previously approved ROPS. No additional funding is requested in connection with this ROPS 14-15B. However, not all of the funds approved on previous approved ROPS were actually spent during the period ending June 30, 2014, due to delays in project approval, contracting or implementation. By this note, it is indicated that some of the funds designated for this item on a previously approved ROPS may actually be carried forward and spent during some or all the months of this ROPS 14-15B period. For total outstanding debt or obligation, amount shown is as per most recent information as of July 1, 2014. Reserve Balance is carryover of a preceding ROPS period RPTTF for use in this ROPS period.
85	8:22 Technical Assistance: All anticipated funding for this item was previously shown on a previously approved Recognized Obligation Payment Schedule (ROPS). No additional funding is requested in connection with this ROPS 14-15B. However, not all of the funds approved on previous approved ROPS were actually spent during the period ending June 30, 2014, due to delays in project approval, contracting or implementation. By this note, it is indicated that some of the funds designated for this item on a previously approved ROPS may actually be carried forward and spent during some or all the months of this ROPS 14-15B period. For total outstanding debt or obligation, amount shown is as per most recent information as of July 1, 2014.
87	8:24 Iron Horse Trail properties. RPTTF funds are requested to continue to manage Successor Agency property assets.
88	8:25 Transit Village. All anticipated funding for this item was previously shown on a previously approved Recognized Obligation Payment Schedule (ROPS). No additional funding is requested in connection with this ROPS 14-15B. However, not all of the funds approved on previous approved ROPS were actually spent during the period ending June 30, 2014, due to delays in project approval, contracting or implementation. By this note, it is indicated that some of the funds designated for this item on a previously approved ROPS may actually be carried forward and spent during some or all the months of this ROPS 14-15B period. For total outstanding debt or obligation, amount shown is as per most recent information as of July 1, 2014.
89	8:26 Transit Village. Total outstanding debt or obligation the amount shown is as per information as of July 1, 2014
91	8:28 Hookston Station Remediation: Total outstanding debt or obligation the amount shown is as per information as of July 1, 2014
94	6:0 Administrative Allowance
104	10:02 Iron Horse Corridor Remediation and Property Management: Property carrying costs and direct maintenance costs of \$22,000 for the property. Remediation costs are not included in the request for ROPS 14-15B.
105	10:03 IH Corridor Remediation and Property Management: Staff costs for management of property
108	10:06 Litigation Costs for Defaulted Loans: Litigation costs to collect on default Successor Agency outstanding notes receivable (from Valero and Keefe). Collected funds will be used to pay enforceable obligations or distributed to taxing entities. All anticipated funding for this item was previously shown on a previously approved Recognized Obligation Payment Schedule (ROPS). No additional funding is requested in connection with this ROPS 14-15B. However, not all of the funds approved on previous approved ROPS were actually spent during the period ending June 30, 2014, due to delays in project approval, contracting or implementation. By this note, it is indicated that some of the funds designated for this item on a previously approved ROPS may actually be carried forward and spent during some or all the months of this ROPS 14-15B period. For total outstanding debt or obligation, amount shown is as per most recent information as of July 1, 2014.
109	10:07 Bond Arbitrage Rebate Reporting Compliance: Funds required for mandatory obligation to file Bond Arbitrage Rebate Report related to outstanding 1999 Tax Allocation Bond. All anticipated funding for this item was previously shown on a previously approved Recognized Obligation Payment Schedule (ROPS). No additional funding is requested in connection with this ROPS 14-15B. However, not all of the funds approved on previous approved ROPS were actually spent during the period ending June 30, 2014, due to delays in project approval, contracting or implementation. By this note, it is indicated that some of the funds designated for this item on a previously approved ROPS may actually be carried forward and spent during some or all the months of this ROPS 14-15B period. For total outstanding debt or obligation, amount shown is as per most recent information as of July 1, 2014.

Recognized Obligation Payment Schedule (ROPS 14-15B) - Notes
January 1, 2015 through June 30, 2015

Item #	Notes/Comments
110	10:08 Disclosure Statements Reporting Compliance: Funds required for mandatory obligation to file annual Disclosure Statements related to outstanding 1999 Tax Allocation Bond, 2003 Tax Allocation Bond and 2007 Tax Allocation Bond. All anticipated funding for this item was previously shown on a previously approved Recognized Obligation Payment Schedule (ROPS). No additional funding is requested in connection with this ROPS 14-15B. However, not all of the funds approved on previous approved ROPS were actually spent during the period ending June 30, 2014, due to delays in project approval, contracting or implementation. By this note, it is indicated that some of the funds designated for this item on a previously approved ROPS may actually be carried forward and spent during some or all the months of this ROPS 14-15B period. For total outstanding debt or obligation, amount shown is as per most recent information as of July 1, 2014.
123	Housing Entity Administrative Cost Allowance - AB 471 approved on February 18, 2014. Requires that on July 1, 2014 and twice yearly thereafter until July 1, 2018, funds be allocated to cover the "Housing Entity Administrative Cost Allowance" equal to 1% of property tax allocated to the Redevelopment Obligation Retirement Fund for the successor agency for the Fiscal year, but not less than \$150,000 per fiscal year. The total FY 14-15 allocation is being requested during the ROPS 14-15B period because there was no request in the ROPS 14-15A period.

ATTACHMENT C

RECOGNIZED ENFORCEABLE OBLIGATIONS

ANNOTATED LIABILITY DESCRIPTIONS

Modified September 15, 2014

ROPS Reference #		
ROPS 3 & FORWARD	ROPS 1 & 2 Page-Item #	Description of obligation
4	1-9	Youth Homes Pre-Development: Funds to cover predevelopment and land disposition costs associated with the relocation of the Youth Homes Facility in the Orbisonia Heights area to an Agency-owned property within Pittsburg/Bay Point BART Station Area Specific Plan. Bay Point. Include in reserve balance.
10	2-3	Placemaking -- BART Transit Village: Funds for construction of the placemaking improvements, including parks, plazas, street furniture, specialized lighting, and appointments, and open space for the Transit Village project on the BART property. Contra Costa Centre. This item was removed for the 2 nd ROPS because it was expected that the payments would be completed by June 2012. It is being added back onto the 3 rd ROPS with no new payments added, but relying on the previous unspent allocation. This obligation is also on Page 5, Line 23 which uses reserve balances for a portion of the obligation.
14	2-8	Contra Costa Centre Infrastructure Upgrades/Renovations: Capital improvements to enhance alternative mode (pedestrian, bicycle, car sharing, transit) access to the Station Area, pedestrian gap closures, signage, crossings, and landscape replacement are prospective projects. Contra Costa Centre.
17	2-12	North Richmond Area Infrastructure: Funds to initiate a comprehensive infrastructure improvement plan for the industrial, employment generating area in North Richmond. This line item was rejected by the Department of Finance, pending receipt of the Notice of Completion, which is expected during the ROPS 13-14A period. The reauthorization was listed on line 95 for ROPS 13-14A, but was denied pending the Finding of Completion. It is now relisted under this line item. As a result of the defeasance program, the remaining bond fund balance for North Richmond is revised in ROPS 14-15A.
21	2-18	Reauthorization of the Downtown Area Infrastructure Improvements: Funds to continue replacing physically or economically obsolete infrastructure elements in the downtown area. Rodeo. \$20,000 was moved from this item to line 24 for project management. This item is being relisted for ROPS 13-14B because the Agency received the Finding of Completion.
24	2-24	Bond Project Management. This is an added obligation for staff costs associated with capital bond projects in the Rodeo area. This item was added to the 3 rd ROPS. \$20,000 was added for ROPS 13-14A for this item. The Successor Agency and the County intend to enter into an Enforceable Obligation Implementation Services and Funding Agreement to provide for the County to administer and implement this obligation.
28	3-29	Property maintenance costs paid to the Public Works Department and various for trash abatement, fencing, and other maintenance costs for Successor Agency-owned properties. All areas.
46	5-24	Placemaking -- Station Enhancements: Funds to visually improve the appearance of the existing BART Station and bus intermodal. Contra Costa Centre. This obligation is partially funded with bond proceeds (Page 2, Line 3) and partially funded using RPTTF for remaining balance.
54	7-1	Bonded Indebtedness: Principal and interest due on outstanding bonded indebtedness annually, due February 1 and August 1 for the 1999 non-housing TABs. Contra Costa Centre, North Richmond, Bay Point and Rodeo. This obligation is included in the ROPS under RPTTF.

ROPS Reference #		
55	7-2	Bonded Indebtedness: Principal and interest due on outstanding bonded indebtedness annually, due February 1 and August 1 for the 1999 housing TABs. Contra Costa Centre, North Richmond, Bay Point and Rodeo. This obligation is included in ROPS under RPTTF.
56	7-3	Bonded Indebtedness: Principal and interest due on outstanding bonded indebtedness annually, due February 1 and August 1 for the 2003A/AT/B non-housing TABs. Contra Costa Centre. This obligation is included in ROPS under RPTTF.
57	7-4	Bonded Indebtedness: Principal and interest due on outstanding bonded indebtedness annually, due February 1 and August 1 for the 2007A/AT/B non-housing TABs. All areas.
58	7-5	Bonded Indebtedness: Principal and interest due on outstanding bonded indebtedness annually, due February 1 and August 1 for the 2007A/AT/B housing TABs. All areas. The obligation is included in ROPS under RPTTF.
59	7-6	Repayment to Contra Costa County Special Revenue Account for loan associated with project administration. Montalvin Manor. Repayment can begin when we have residual distribution to remaining taxing entities.
60	7-7	License agreement with Digital Assurance Certification (DAC) LLC. For document repository for annual bond disclosure documents. The FY 11-12 payment was made out of reserve balance (Page 5, Line 1). All areas. This obligation is included in ROPS under RPTTF.
61	7-8	Fees paid to the County Treasurer's office for cash management services. All areas. This obligation is included in ROPS under RPTTF.
63	7-11	Hookston Remediation (Bank of America Trust Account) for FY 12-13 and beyond. Contra Costa Centre. Included in ROPS under RPTTF. It was denied by the DOF for 13-14A. It is relisted in ROPS 13-14B and ROPS 14-15A, with no funds required because the trust account has enough funds for these periods.
65	7-13	Contractual obligation for East Bay Regional Park District improvements. Rodeo This item was included in ROPS 13-14A, but denied by the DOF. EBRPD requested it be relisted in ROPS 13-14B and denied, but can be retained as a total obligation and then reimbursed (and added to the ROPS) after improvements are made. Some funds are added to ROPS 14-15B.
68	7-16	US Bank Trustee fees associated with the 99 TAB, Contra Costa Centre, Bay Point, North Richmond, and Rodeo. This obligation is included in ROPS under RPTTF.
69	7-17	US Bank Trustee fees associated with the 03A TAB, Contra Costa Centre, Bay Point, North Richmond, and Rodeo. This obligation is included in ROPS under RPTTF.
71	7-19	US Bank Trustee fees associated with the 07TAB, All areas. This obligation is included in ROPS under RPTTF.
74	7-22	Reimbursement to the LMIHF for Rodeo and Bay Point for the 2010-11 SERAF payment. Bay Point & Rodeo. Reimbursement begins when we have residual RPTTF distribution to remaining taxing entities. No funds for this item are requested at this time.
76	7-24	Park Regency Financial Assistance: Contractually obligated payment to owner for affordable housing. Contra Costa Centre. The annual payment is \$550,000 due during the second half of the FY. Half of the payment will be requested with each ROPS period.
77	7-25	BRIDGE Housing Financial Assistance: Contractually obligated payment to owner for affordable housing. Contra Costa Centre. The annual payment is \$100,000 due during the second half of the FY. Half of the payment will be requested with each ROPS period under RPTTF.
78	7-26	Avalon Walnut Creek Housing Assistance: Contractually obligated payment to the owner for affordable housing. Contra Costa Centre. The annual payment is estimated at \$1,327,812 due during the second half of the FY. Half of the payment will be requested with each ROPS period under RPTTF.
85	8-22	Project related Public Works Department technical assistance for non-housing projects. This is an addition to the 3rd ROPS. This item was denied in ROPS 13-14A for additional funds. RPTTF funds were approved in

ROPS Reference #		
		ROPS 13-14A.
88	8-25	Transit Village Legal expenses. These are project costs for Goldfarb & Lipman for legal expenses associated with the Transit Village Implementation. This is an addition to the 3rd ROPS. Include in ROPS 13-14A under RPTTF for same amount.
89	8-26	Employee costs associated with project management of the Contra Costa Centre Transit Village project. \$85,000 TOTAL in 13-14B, \$15,000 per ROPS period. Will cover administrative costs (partially) through to 16-17A.
91	8-28	Hookston Station Remediation contract for Ensaf. This was a contract with Project Navigator. This is an addition to the 3rd ROPS. Included in ROPS 13-14A and denied by the DOF. It was relisted and approved for ROPS 13-14B.
94	6-0	Administrative Allowance includes salaries, rent, and various other administrative costs.
104		Iron Horse Corridor remediation and maintenance. The remediation portion of this request (\$65,000) was denied, pending approval of the LRPMP. The maintenance portion \$20,000 was approved. Relist in ROPS 14-15B.
105		Iron Horse Corridor property management. This item was denied in 13-14 B, pending LRPMP and needs to be relisted in 14-15A.
108		Request RPTTF to pay for County Counsel to pursue outstanding debts.
109		Bond Logistics invoice to cover RDA portion of 5-yr Arbitrage calculation or Bond Series that is due (e.g. 1999 bond).
110		Jones Hall-Disclosure Statements Compliance Services
123		Housing Entity Administrative Cost Allowance: Per AB 471, the Housing entity can claim a minimum of \$150,000 per fiscal year for administrative costs.

ROPS 1 and 2 Page Reference with funding source

Page 1 - Low and Moderate Income Housing Fund

Page 2 – Bond Proceeds

Page 3 – Reserve Balances

Page 4 – Reserve Balances (continued)

Page 5 – Reserve Balances (continued)

Page 6 – Administrative Cost Allowances

Page 7 – Redevelopment Property Tax Trust Fund

Page 8 – Redevelopment Property Tax Trust Fund (continued)

Page 9 – Other Revenue Source

Page 10 – Receivables

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CONTRA COSTA COUNTY
DEPARTMENT OF CONSERVATION & DEVELOPMENT
30 Muir Road
Martinez, CA 94553
Telephone: (925) 674-7878

TO: Oversight Board

FROM: Maureen Toms, AICP, Successor Agency Program Manager

DATE: September 24, 2014

SUBJECT: Agenda Item 5b, Adoption of the Administrative Budget for the period of January – June 2015

Recommendation

Adopt Resolution 2014-5 approving the Administrative Budget for the period of January – June 2015.

Background

According to Health & Safety Code Section 34177 of Assembly Bill x1 26 (the “Dissolution Act”), the Successor Agency prepares a draft administrative budget and submits it to the Oversight Board for approval. Prior to the Oversight Board’s approval of the administrative budget, the Board of Supervisors, acting in the capacity as the governing board of the Successor Agency for the Contra Costa County Redevelopment Agency, should review and approve the proposed administrative budget.

The state statute specifies a minimum administrative cost allowance to the Successor Agency for its administrative costs, using a percentage of property tax revenue allocated by the County Auditor-Controller to the Successor Agency to meet enforceable obligations. The County Auditor-Controller calculates the allowance using three percent of the distribution to be received by the Successor Agency from the Redevelopment Property Tax Trust Funds (RPTTF) or \$250,000 for the fiscal year, whichever amount is greater. The County Auditor-Controller general practice has been to provide all successor agencies in the County with the statutory minimum administrative cost allowance in the amount of \$250,000 along with the July 1st RPTTF distribution. The County Auditor Controller will distribute a supplemental administrative cost allowance along with the January 2nd RPTTF distribution in cases where three percent of a successor agency's RPTTF distribution for the fiscal year is greater than \$250,000.

In February 2014, the Fiscal Year 2014-15 administrative budget estimated that it would receive an administrative cost allowance equal to three percent of the Successor Agency's RPTTF distribution or approximately \$302,000 for the entire Fiscal Year 2014-15. That estimate is now decreased to \$297,974. The minimum \$250,000 annual administrative cost allowance was received in July 2014, with the remaining \$47,974 now expected to be received in January 2015. Some Successor Agency staff costs are project-related and charged to non-administrative enforceable obligations (e.g. management of construction projects) shown on the Recognized Obligation Payment Schedules (ROPSs). These non-administrative and project management costs are now estimated to contribute \$39,914 in revenue for the administrative budget in ROPS 14-15B period. The administrative budget is attached as Exhibit A.

Exhibit A

Administrative Budget FY 14-15

	<u>line</u>	14-15A	14-15B	Total
Admin/Non Admin Staff Expenses				
Space Rent		\$16,200	\$16,200	\$32,400
Salary/Overhead		\$87,000	\$82,711	\$169,711
Various Admin Expenses		\$100,000	\$100,000	\$200,000
TOTAL ADMIN EXPENSES		\$203,200	\$198,911	\$402,111
Revenue				
Administrative Cost Allowance	94	\$250,000	\$47,974	\$297,974
EO (Non Admin + Project Mgmt)		<u>\$64,914</u>	<u>\$39,914</u>	\$104,827
TOTAL ADMIN REVENUES		\$314,914	\$87,888	\$402,801
SURPLUS/(DEFICIT)		\$111,714	-\$111,024	\$690
Project Management Enforceable Obligations				
Rodeo Bond Project	24	\$20,000	\$0	\$20,000
IHT Properties	87	\$5,000	\$0	\$5,000
Transit Village Project Management	89	\$15,000	\$15,000	\$30,000
IH Remediation Project Management	105	\$5,000	\$5,000	\$10,000
Successor Housing (project Costs)		\$19,122	\$19,122	\$38,244
JPA Administration (non-ROPS item)		\$792	\$792	\$1,583
		\$64,914	\$39,914	\$104,827

EXHIBIT A- Administrative Budget

Notes

Salary/Overhead amounts include project management costs.

9/9/

RESOLUTION NO. 2014-5

IN THE MATTER OF THE OVERSIGHT BOARD FOR THE COUNTY OF CONTRA COSTA SUCCESSOR AGENCY APPROVING THE ADMINISTRATIVE BUDGET FOR THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JANUARY THROUGH JUNE 2015, AND DIRECTING THE COUNTY ADMINSTRATOR TO TAKE ALL ACTIONS NECESSARY TO EFFECTUATE REQUIREMENTS ASSOCIATED WITH THIS APPROVAL

WHEREAS, the California state legislature enacted Assembly Bill x1 26 (the "Dissolution Act") to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.); and

WHEREAS, on January 17, 2012 and pursuant to Health and Safety Code Section 34173, the Board of Supervisors of the County of Contra Costa (the "Board of Supervisors") declared that the County of Contra Costa, a political subdivision of the State of California (the "County"), would act as successor agency (the "Successor Agency") for the dissolved Redevelopment Agency of the County of Contra Costa (the "Dissolved RDA") effective February 1, 2012; and

WHEREAS, on February 1, 2012, the RDA was dissolved pursuant to Health and Safety Code Section 34172; and

WHEREAS, the Dissolution Act provides for the appointment of an oversight board (the "Oversight Board") with specific duties to approve certain Successor Agency actions pursuant to Health and Safety Code Section 34180 and to direct the Successor Agency in certain other actions pursuant to Health and Safety Code Section 34181; and

WHEREAS, pursuant to Assembly Bill 1484 , enacted June 27, 2012 to amend various provisions of the Dissolution Act, the Successor Agency is now declared to be a separate legal entity from the County of Contra Costa; and

WHEREAS, Successor Agency staff prepared and on September 16, 2014, the Board of Supervisors, acting as the governing board of the Successor Agency, reviewed the Administrative Budget of the Successor Agency for the Recognized Obligation Payment Schedule for the period January 1 through June 30, 2015 (the "Administrative Budget"); and

WHEREAS, the Administrative Budget must be submitted by the Successor Agency to the Oversight Board for the Oversight Board's approval in accordance with the Dissolution Act; and

WHEREAS, the accompanying staff report provides supporting information upon which the actions set forth in this Resolution are based.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board hereby finds and determines that the foregoing recitals are true and correct, and together with information

provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions and determinations set forth below.

BE IT FURTHER RESOLVED that under Health and Safety Code Section 34180(g), the Oversight Board must approve establishment of a Recognized Obligation Payment Schedule (ROPS) for the Successor Agency.

BE IT FURTHER RESOLVED that under Health and Safety Code Section 34177(j), the Oversight Board must approve the Administrative Budget for the Successor Agency.

BE IT FURTHER RESOLVED in accordance with the Dissolution Act, the Oversight Board hereby approves the Administrative Budget for the Recognized Obligation Payment Schedule for the period of January through June, 2015 in the form on file with the Oversight Board's Designated Contact Official (the "Administrative Budget"), and authorizes the Successor Agency to incur costs for the general administrative activities and functions described in the Administrative Budget.

BE IT FURTHER RESOLVED that the Oversight Board finds that the Administrative Budget supports an Administrative Cost Allowance to the Successor Agency in the authorized amount of \$297,974 for the FY 2014-15.

BE IT FURTHER RESOLVED that the Successor Agency is authorized and directed to enter into any agreements and amendments to agreements necessary to memorialize and implement the agreements and obligations in the approved Administrative Budget herein approved by the Oversight Board.

BE IT FURTHER RESOLVED that Oversight Board hereby authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to file, post, mail or otherwise deliver via electronic mail, internet posting, and/or hardcopy, all notices and transmittals necessary or convenient in connection with the approval Administrative Budget.

BE IT FURTHER RESOLVED that this Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

MARTINEZ, CALIFORNIA, September 24, 2014

ADOPTED BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:
NOES:	BOARD MEMBERS:
ABSTAIN:	BOARD MEMBERS:
ABSENT:	BOARD MEMBERS:

ATTEST:

Oversight Board Secretary

Exhibit A

Administrative Budget FY 14-15

EXHIBIT A- Administrative Budget

	<u>line</u>	14-15A	14-15B	Total
Admin/Non Admin Staff Expenses				
Space Rent		\$16,200	\$16,200	\$32,400
Salary/Overhead		\$87,000	\$82,711	\$169,711
Various Admin Expenses		\$100,000	\$100,000	\$200,000
TOTAL ADMIN EXPENSES		\$203,200	\$198,911	\$402,111
Revenue				
Administrative Cost Allowance	94	\$250,000	\$47,974	\$297,974
EO (Non Admin + Project Mgmt)		\$64,914	\$39,914	\$104,827
TOTAL ADMIN REVENUES		\$314,914	\$87,888	\$402,801
SURPLUS/(DEFICIT)		\$111,714	-\$111,024	\$690
Project Management Enforceable				
Obligations				
Rodeo Bond Project	24	\$20,000	\$0	\$20,000
IHT Properties	87	\$5,000	\$0	\$5,000
Transit Village Project Management	89	\$15,000	\$15,000	\$30,000
IH Remediation Project Management	105	\$5,000	\$5,00	\$10,000
Successor Housing (project Costs)		\$19,122	\$19,122	\$38,244
JPA Administration (non-ROPS item)		\$792	\$79	\$1,583
		\$64,914	\$39,914	\$104,827